

Groupe
L'OCCITANE

**ENVIRONMENTAL, SOCIAL
AND GOVERNANCE**
FY2022 REPORT

L'OCCITANE
EN PROVENCE

L'OCCITANE
AU BRÉSIL

Melvita

erborian
KOREAN SKIN THERAPY

ELEMIS

LimeLife by Alcone



ABOUT THIS REPORT

This report aims to:

- Review our sustainability achievements and challenges in the 2022 financial year (FY2022) – April 1, 2021 to March 31, 2022 – and share some of the good practices and initiatives we started or continued this year.
- Comply with regulatory reporting requirements. As the Group is listed on the Hong Kong Stock Exchange, it is a requirement to publish certain social, environmental and governance information every year. The Group is also required to comply with the provisions of the EU Directive 2013/34/EU regarding the publication of non-financial information and information related to diversity, as well as its transposition into Luxembourg law in July 2016. The purpose of this report is to fulfil both non-financial reporting obligations. A cross-reference table listing the requirements of the Hong Kong Stock Exchange is provided in Appendix 2 at the end of this report.

It covers material issues rated as “high” and some issues rated as “medium”. Issues rated as “low” are not covered in this report but are closely monitored.

In terms of scope, this report presents:

- Consolidated indicators for the L'OCCITANE Group, covering its operations and what it manages directly. The Group began to consolidate its newly-acquired brands, Sol de Janeiro and Grown Alchemist, in January 2022 and April 2022 respectively, hence they are not included in this report.
- When an indicator is only relevant for a specific scope, the perimeter is specified.

PricewaterhouseCoopers, Société Coopérative (PwC) has been engaged to carry out a limited assurance engagement under the International Standard on Assurance Engagements 3000 (Revised) in respect of certain information disclosed in our ESG FY2022 report as set out in the Assurance report of the Appendix 6 in accordance with certain Assessment Criteria. These Assessment Criteria have been derived from specific sections of the Appendix 27 of the Hong Kong Stock Exchange ESG Guide and by applying additional methodologies defined by company policies that management considers as relevant for the purpose of our business and for the ultimate users of the ESG FY2022 report. These Assessment Criteria are disclosed in the Appendix 5 of this report: “Due Diligence, Compliance and Methodology Information”.

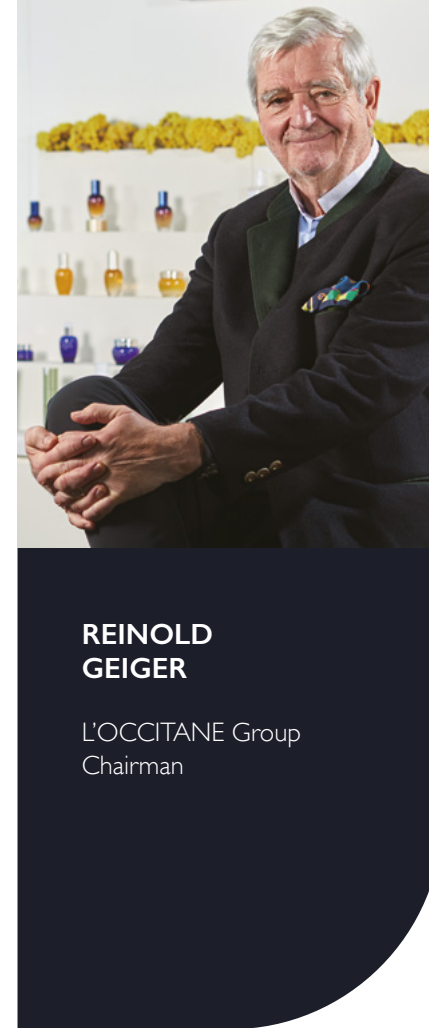
For more information: <https://group.loccitane.com/fr>
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I. ABOUT L'OCCITANE GROUP

Statement from our chairman
Key achievements and performance for FY2022
A glance at the Group



REINOLD
GEIGER

L'OCCITANE Group
Chairman

STATEMENT FROM OUR CHAIRMAN

“ Scientists are repeatedly warning us that humankind is exceeding planetary boundaries. More recently, they have issued new warnings about the “green water” boundary (rainfall, evaporation, and soil moisture) that is leading us to a permanent modification of the water cycle. We keep reaching new levels of alert on the state of our planet. We have overused natural resources and destabilised vital operating systems. Individuals and companies must act to reverse the situation.

It has become very clear that human, planetary and economic well-being are intrinsically linked. We have given ourselves an ambitious mission: “**with empowerment, we want to positively impact people and regenerate nature**”. Thanks to our teams’ commitments, over the past year, there have been many achievements that we can be proud of: among which are the formalisation of a new **biodiversity** strategy and very substantial progress on traceability – a key step towards measuring our land footprint and improving farming practices. On **Climate**, the Sciences Based Targets Initiative validated our near-term objectives (2030) and our alignment with the Net Zero Standard is in progress. We have also made the transition to renewable electricity in several countries and renewed our commitment to the Ellen MacArthur New Plastic Economy. On **Equity and Diversity** matters, I am happy to say that we have shared the first dedicated survey across the Group, which will shape our Diversity, Equity and Inclusion (DE&I) strategy. We are also very proud that our parental leave scheme has now been rolled out in every subsidiary.

Because we have the unwavering belief that change will not happen without collaboration, we are also very committed to key international initiatives, such as the International Union for the Conservation of Nature (IUCN) Nature Congress or the Convention on Biological Diversity negotiations, where we were invited by Business for Nature.

I would also like to reaffirm here our support for the ten principles of the United Nations Global Compact. We have pledged to respect the core principles of this programme related to human rights, working conditions, environmental protection and the fight against corruption. They are the foundation of our policies on environmental, social and corporate governance and they guide our continuous development in this area.

Last but not least, I am delighted to announce that, in our spirit of collaboration, and to keep our ambitions on sustainability matters at the highest level, we have created a Sustainability Committee that includes both internal and external advisors. They have agreed to share their time and knowledge to continuously improve our efforts to become a regenerative company for humankind and the planet.

We are on the right track. Let us continue to move forward together!
Each spark makes our world a little brighter – for generations to come. ”

Creating value for SUSTAINABLE BUSINESS

Total sales: €1,810 million in consolidated revenue
Growth: 14.6% at constant rates
7 brands, 1,490 stores, 3 factories owned by the Group
 Distribution in almost **90 countries**

For more information on our financial results, please refer to our [Annual Report FY2022](#)

INFUSING SUSTAINABILITY IN ALL PROCESSES

- Corporate Incentive Plan including Sustainability performance.
- Sustainability team objectives for key departments.
- Sustainability included in the new Group onboarding module for new employees.
- New process to select and evaluate suppliers with sustainability criteria.
- Creation of a Sustainability Committee with Board Members and internal and external advisors.

MEASURING OUR SUSTAINABILITY PERFORMANCE AND PROGRESSES

- Silver on EcoVadis.
- Progress on B CORP, raising the performance of all entities and on track for certification in one year.

Creating value for COMMUNITIES



EMPOWERING OUR EMPLOYEES:

by promoting well-being in the workplace

- Launch an employee assistance programme in Asia and Europe for professional help when facing life issues related to health or finance.
- ELEMIS paying Living wage to all its employees in UK.

by promoting diversity and inclusion

- Signature of the CEO Pledge from the “LEAD Network Europe” to accelerate gender equality and drive inclusion in our industry.
- 50% women in key management positions.
- First global Diversity, Equity & Inclusion survey across all entities and brands, answered by 6,600 employees (63% participation rate), the starting point of our Group roadmap.
- Parental leave successfully rolled out in every entity (vs. 20% entities FY2021).
- Launch of 13 e-learning modules on DE&I.

through training and new ways of working

- 8,000 employees used the e-learning platform.
- 100% of leaders participated in the Time to Lead programme on Trust-Based leadership and roll-out of the Quest programme on transparency and trust for managers.
- 500 office staff members and 64 teams (vs. 50 teams FY2021) using agile ways of working.

by protecting our employees

- Update of our Group Health & Safety policy.
- Health & safety assessment on production sites to define a five-year programme.
- New Safety Culture Programme started on our manufacturing sites to improve daily risk detection and safe behaviours.
- Code of Business Conduct updated and shared with employees.
- New Group speak-up policy and channels implemented – no Group alert was raised this year on our Speak Up channel and no major alert reported locally.

EMPOWERMENT AND FAIRNESS FOR LOCAL PRODUCERS

- All the iconic plants producers in France are in the process of a fair-trade certification.

SAFETY AND SATISFACTION FOR OUR CUSTOMERS

- No products sold or shipped subject to recalls for safety and health reasons.
- Customers' Net Promoter Score increased by 2 points.

GIVING BACK WITH PHILANTHROPIC PROJECTS

- A budget of €4.5M dedicated to Philanthropy (financial and in-kind donations) from the Group and all brands.

ENGAGING WITH SUPPLIERS

- 400 suppliers assessed (+46% vs. FY2021) on their CSR performance with EcoVadis (approx. 60% of total purchases, 95% of direct purchases).
- 71% of suppliers had increased their score since the programme was launched in 2019.
- Average rating of 63.7 for direct suppliers and 56 for indirect (above the general average of EcoVadis ratings for cosmetic sector suppliers).

Creating value for NATURE



PROTECTING AND REGENERATING BIODIVERSITY

- Formalisation and publication of a new Group biodiversity strategy.
- Membership of the Sciences-Based Targets Network (SBTN) corporate engagement.
- Huge progress on traceability, a key step to measuring our land footprint and improving farming practices (56% vs. 45% in FY2021).
- Deep environmental and social risk analysis on 15 plants (80% of the volume of plant-based ingredients).
- Participation in key international initiatives to advocate for a nature-positive future – IUCN Nature Congress, European Business & Nature Summit, Convention on Biological Diversity (CBD) Geneva meetings, Global Reporting Initiative (GRI) technical committee to revise the Biodiversity Standard.
- First regeneration projects for main raw materials, based on land footprint.

MITIGATING CLIMATE CHANGE

- Near-term Sciences-Based Targets approved (Long-term targets and alignment to the Net Zero Standard submitted).
- New countries sourced with renewable electricity: 95% of our total consumption (vs. 80% in FY2021).
- Internal carbon price defined, now to be tested as a decision tool.
- New investments in nature-based solutions to increase carbon sinks and avoid deforestation outside the value chain, including participation in the 3rd Livelihood Carbon Fund.
- Joining #SupplyChain4Good initiative to work on supply chain carbon footprint.

ENVIRONMENTAL FOOTPRINT OF OUR FACTORIES

- Water (-6% per unit produced): implementation of new processes to optimise reactors' cleaning and reuse water of cleaning process.
- Energy (-9% per unit produced): new process to recover heat from wastewater, new target to be certified ISO 50001 by 2023 and now 100% renewable.
- Waste (-8% per unit produced): 100% of industrial waste recovered by reusing, recycling or harnessing it to produce energy (zero landfills since 2018).

ENVIRONMENTAL FOOTPRINT OF OUR PRODUCTS

- The New Plastic Economy report places L'OCCITANE en Provence among the most committed brands and the Group has renewed its commitment.
- Life Cycle analysis performed on the top 20 products of L'OCCITANE en Provence.
- Progress on all eco-design indicators (recycled materials, recyclability, biodegradability and recycling services), reaching a packaging recyclability rate of 52.6%.
- New R&D sustainability roadmap with ambitious targets.

ENVIRONMENTAL FOOTPRINT OF OUR DISTRIBUTION

- New Environmental Management System for our stores network and 76% of company-owned stores with recycling programmes for customers (vs. 48% in FY2021).
- A certified “Green Store” opened in Australia and two awards in Korea for the Hyundai Pop-Up “A Choice For the Planet”, key milestones in our sustainability retail journey.



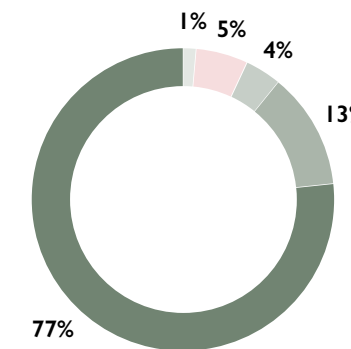
A glance at the Group

L'OCCITANE Group is a leading international manufacturer and retailer of sustainable beauty and wellness products. The Group operates in 90 countries worldwide and has 3,000 retail outlets including 1,500 of its own stores.

Guided by its Mission, *with empowerment we positively impact people and regenerate nature*, L'OCCITANE Group firmly believes in nurturing and empowering entrepreneurs by recognising the potential of their brands and offering them the necessary support and investment to prosper. At the same time, the founders are given encouragement and complete autonomy to lead and develop their businesses.

Each of the innovative international brands within the Group has a strong identity, sense of purpose and a genuine desire to make a difference. While dynamically refining and making their brands grow, the founders also have a shared mission to support sustainability, humanitarian aid projects and programmes that empower women and the wider community, particularly in developing countries. The unique synergy of the brands also promotes a culture of mutual respect and support along the way. With nature as its inspiration, each brand within L'OCCITANE Group is committed to helping its customers make more sustainable choices and, in doing so, create a brighter and better world for us all.

NET SALES BREAKDOWN BY BRAND



- L'OCCITANE en Provence
- ELEMIS
- LimeLife
- Other brands (Melvita, Erborian, L'OCCITANE au Brésil)
- Sol de Janeiro

The story of our brands

Within its portfolio of premium beauty brands that champion organic and natural ingredients are: L'OCCITANE en Provence, Melvita, Erborian, L'OCCITANE au Brésil, LimeLife by Alcone, ELEMIS, Sol de Janeiro and Grown Alchemist. Innovative venture studio, OBRATORI and the beauty tech start-up, DUOLAB, are also part of the Group. With its nature-positive vision, L'OCCITANE Group is committed to investing in communities, biodiversity, reducing waste and finding sustainable solutions in order to create a better and healthier planet.

- **L'OCCITANE en Provence.** Olivier Baussan founded L'OCCITANE en Provence in 1976. Using natural ingredients originating from Provence, Baussan was a pioneer, developing natural skincare and beauty products and recycling bottles. Since then, the brand has grown exponentially, while always remaining true to its core values. The brand continues to work on the protection of biodiversity, respect and regeneration of nature and build long-term partnerships with its suppliers. It offers investment to its local producers in France, Corsica and Burkina Faso and works with them to adopt sustainable practices.

- **Melvita.** Melvita is a French certified organic beauty retailer. It manufactures and sells sustainably sourced, natural products such as floral waters, beauty oils and hair and body care in eco-friendly packaging.



- **Erborian.** Their gentle and effective skincare products, which include hybrid BB and CC creams that bridge the gap between skincare and makeup, are inspired by Korean herbal traditional medicine. They mainly contain naturally derived ingredients such as ginseng, bamboo, liquorice and yuzu.



• **L'OCCITANE au Brésil.** This vibrant entrepreneurial brand was born in Brazil with the soul of France. It celebrates Brazilian people, textures and colours in its range of 200 fragrances, hair and body care products. Their natural origin ingredients, such as coconut, lemongrass, sugarcane and green coffee, are locally sourced via communities with sustainable supply chains throughout Brazil.



• **LimeLife by Alcone.** Building on the heritage of the Mallardi family's professional makeup company, Michele Mallardi Gay and her niece, Madison Mallardi, who is the co-founder, developed LimeLife by Alcone. With its inspired direct sales concept, the company enables an independent female beauty guides sales-force to sell their products worldwide. The product lines include certified cruelty-free, organically based makeup and skincare. The company promotes female empowerment via its Brighter Together Foundation and Fempire Fund.



• **ELEMIS.** Co-founded 30 years ago by the trio, Noella Gabriel, Orielle Frank and Sean Harrington, it takes a holistic approach to skincare by harnessing science with results-driven formulas while respecting nature. The entrepreneurial co-founders passionately believe in skincare and wellness, as well as supporting sustainability through a circular model of reinvestment in products, the planet and philanthropic causes.



• **Sol de Janeiro** (not included in this report). This brand is inspired by the *joie de vivre* and sunshine of Rio. Co-founder Heela Young has created a joyous, inclusive and effective skin and body care range inspired by the lush natural diversity of Brazil. Its sustainably sourced ingredients include those indigenous to the country's Amazonian Rainforest, such as Cupuacu butter, Acai oil and Guaraná. With its passion for the environment, Sol de Janeiro respects the integrity and beauty of the rainforests, and firmly believes that what is good for the skin should be good for the world around us too.

• **Grown Alchemist** (not included in this report). Co-founded in 2008 by the Melbourne brothers, Jeremy and Keston Muijs, Grown Alchemist is a recognised trailblazer in the development of efficacious anti-ageing technology. It provides the most advanced professional nutricosmetic, body and hair care products, capable of transforming the skin from the outside in and from the inside out.

For more information about our people and our brands, visit us at <https://group.loccitane.com>

Our value chain

The Group manufactures and distributes beauty and well-being products that are rich in natural and organic ingredients.

UPSTREAM – raw materials and partnerships with suppliers

• The Group sources raw and non-raw materials for its formulas, packaging and merchandising tools. For selected raw materials, we are conducting risk analysis to evaluate their social and environmental impact and working with suppliers to trace back all the plants that make up our raw materials to their country of origin.

• The Group sources these materials from suppliers all over the world, but mainly in Europe, for direct supply (82%). They are all requested to sign our Code of Conduct. For indirect and direct suppliers who are eligible for our #NotJustSupplier programme, we perform Corporate Social Responsibility (CSR) evaluation thanks to the EcoVadis platform.

OUR ACTIVITY – R&D, manufacturing and distribution

• The Group, as defined in its Quality and Environmental policies, is firmly committed to consumer safety while limiting its environmental impact at every stage of the product's life cycle. Exceptional sensory experiences through textures, fragrances and touch exceed customers' expectations and set new industry standards.

• The Group has an R&D Centre in the south of France and laboratories in Korea and Brazil. Working as one on everything from sourcing plants to formulations and packaging development, the 150 researchers and experts in the L'OCCITANE Group Laboratories create around 200 new formulas and more than 400 products every year. Since 2001, the Group has registered some 70 patents.

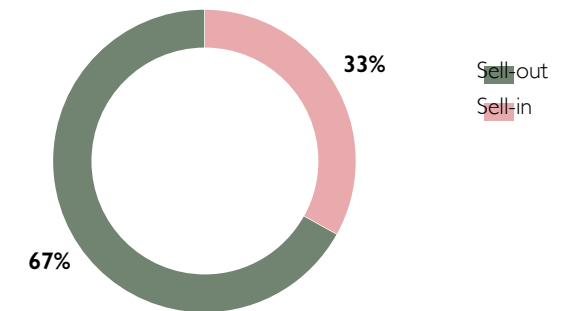
• The Group manufactures the vast majority of its own products: Group subsidiary M&L Laboratories, which operates two production facilities in Manosque and Lagorce (France), handles the manufacturing of products for the brands L'OCCITANE en Provence and Melvita (except for a few outsourced products¹). A third facility in Brazil, which opened its doors in June 2019, manufactures products for the brand L'OCCITANE au Brésil, as well as some L'OCCITANE en Provence products for the Brazilian market. Erborian, ELEMIS and LimeLife products are outsourced. Our two factories in France are certified ISO 14001 and 45001 for their environmental, health and safety management.

• The Group has its own network of stores (for L'OCCITANE en Provence, L'OCCITANE au Brésil, Melvita and Erborian), to directly sell products and experiences to customers, in almost 90 countries.

DOWNSTREAM – consumers, mainly through retail and e-commerce

• The Group sells most of its products directly to customers (67% of sales), either through its own network of stores (for L'OCCITANE en Provence and L'OCCITANE au Brésil), or through the brand's e-commerce websites. The Group also sells to intermediaries (33% of sales), including selective multi-brand beauty stores, hotels, professional spas, airport stores, cruises, TV shopping channels or businesses that purchase our products as gifts for their clients or employees. LimeLife sells its products through a very powerful and committed community of Beauty Guides, either directly or online.

GROUP NET SALES BREAKDOWN



¹ For example, make-up and sprays



L'OCCITANE en Provence is founded by Olivier Baussan

1976



Melvita joins the Group

2008



Erborian joins the Group

2012

L'OCCITANE en Provence celebrates its 40th birthday

2016



DUOLAB, an innovative start-up, is launched

2020



Acquisition of Australian holistic beauty brand, Grown Alchemist

2022

1997

Reinold Geiger acquires the company, creates the L'OCCITANE Group and launches an internationalisation strategy

2010

The Group is listed on the Hong Kong Stock Exchange (HKEX) to support its growth

2013

Group turnover exceeds 1€ billion
L'OCCITANE au Brésil is created



2018

LimeLife by Alcone becomes a fully integrated Group brand



2019

ELEMIS joins the Group



2021

The Group acquires majority stake in Sol de Janeiro



II. INTEGRATING SUSTAINABILITY IN THE GROUP

Governance
Stakeholders engagement and materiality analysis
Sustainability strategy
Being a responsible business





GOVERNANCE

The governance of the sustainability strategy in L'OCCITANE Group has been constantly evolving, becoming more structured and extended over the years: this reflects the strategic role sustainability has for the Group's development.

Board of Directors

Annual review of materiality matrix, Key Performance Indicators (KPIs), strategy, key projects and validation of Environmental Social and Governance (ESG) reports.

Update FY2022:

- Conflict of Interest policy updated to include an annual questionnaire from 2022 onwards.
- 20% of women (vs. 10% in FY2021).
- Circular resolution on splitting the role of Chairman and CEO.

For other information on our Board and governance, please refer to our [Annual Report FY2022](#)

Audit Committee

Update FY2022:

Recommendations for the Board to approve:

- A new Speak up policy for the Group.
- Our Code of Business Conduct update.
- A new process to review the annual cases report (to start in FY2023).

Nomination Committee

Update FY2022:

Recommendations for the Board to approve:

- The nomination of Betty Liu to the Board of Directors.
- The nomination of André Hoffmann as CEO after the role of Chairman and CEO were split.

Remuneration Committee

Update FY2022:

Recommendations for the Board to approve:

- Redirecting our incentives plan, which rewards employees based on sales, profit and sustainability performance (including Chairman, CEO and Executive members).

New sustainability Committee

Update FY2022:

Creating and implementing a Sustainability Committee as one of the statutory committees. Composed of three Board members, the Sustainability Committee will cooperate with a panel of representatives from the internal Sustainability team and external advisors.

CEO and Executive Committee

Update FY2022:

- Signing an engagement letter to agree that, in the performance of their duties, they take into account the social, environmental, economic and legal effects of their actions.
- First implementation of sustainability objectives in the directors' and managers' annual objectives and performance evaluation.

Operational Teams

Group Central Sustainability Team

Brand Sustainability Roles

In key brands

Local Sustainability Positions

In key subsidiaries and regions

Sustainability Topic Leaders and Coordinator Roles

In key operational teams

STAKEHOLDER ENGAGEMENT AND MATERIALITY ANALYSIS

As a community-based Group, we rely on the contribution of professionals who act as ambassadors for Nature. This nature-based community includes our employees, suppliers, producers and farmers, as well as researchers and start-up leaders. It is only through their contribution that we are able to offer high-quality products and services while meeting today's many challenges.

We follow a collaborative approach when working with stakeholders and cultivate long-term relationships, and we have dedicated teams to ensure our key stakeholders' engagement and monitor their expectations.

OUR KEY STAKEHOLDERS



Among the teams ensuring a continuous dialogue with stakeholders, we have:

- **Procurement teams** which engage our suppliers on sustainability and partnering for innovation.
- **A team of agronomists**, in the South of France and Burkina Faso, to support and engage our direct plant producers by carrying out more than 200 field visits every year.
- **HR teams using employee surveys** (Great Place to Work, DE&I survey and, in some countries, Mood surveys) to promote, evaluate and improve quality of life at work and engage our employees all over the world.
- **Consumer Insight and Product Evaluation teams** to adapt to consumers' expectations, monitor client satisfaction and evaluate our products.
- **Investor relationship department** to engage with investors.
- **Sustainability Public Affairs position** to facilitate dialogue and foster collaboration with public authorities, industry federations, business coalitions and NGOs.

We engage with our key stakeholders in various ways - from informal dialogue, to surveys, contractual partnerships, reporting and advocacy (more information in Appendix 4) – and we promote open-source innovation to drive systemic change. We are also members of several working groups, roundtables and coalitions, working with other industries, NGOs and even competitors, to advance sustainable innovation and accelerate the transition to a future-positive world.

We advocate for a nature-positive world by participating in many international events— IUCN Nature Congress, European Business & Nature Summit, CBD Geneva meetings – and petitions – on imported deforestation, extended producer responsibility for packaging, plastic pollution and regenerative agriculture.

Since 2015, the Group has run a materiality analysis, with the aim of reassessing the main impact of the business and its stakeholders on social, economic and environmental aspects, and to ensure that we focus on the right priorities, identify emerging trends and issues and provide input for our ongoing risk management processes.

In order to update our materiality analysis, we interview internal and external experts to identify new trends and issues. In FY2023, we will also start using annual quantitative surveys to update the level of priority on each issue.

Key areas identified as a high priority for the Group in FY2022:

- **Ethics and supply chain:** ethics, data protection and the fight against corruption, responsible and sustainable sourcing and procurement, dialogue with stakeholders.
- **Customers:** customer satisfaction and transparent communication about our products.
- **Product:** product safety and quality, eco-socio-design and environmental impact.
- **Environment:** protection and regeneration of biodiversity, climate change mitigation and energy transition, and waste – especially plastic.
- **Human resources:** employees' development, diversity, equity and inclusion.



We have linked our material topics with the SDGs and used them to define the right targets. In 2023, we plan to better define our contribution to those SDGs.



These topics, which are all addressed in this report, will shape the evolution of our sustainability strategy and the dialogue with stakeholders. They will also drive the analysis update of non-financial risks presented in Appendix 3.

Drawing from these issues and following the Executive Committee and Board of Directors' review of the Group's performance in these priority areas, in 2018, we decided to highlight three high-priority areas and set more ambitious objectives. As a Group that relies on natural resources and on communities' know-how to process these resources, our key priorities are:

- **Protecting and regenerating biodiversity**, both natural and cultivated, within and outside our value chain.
- **Delivering dramatic changes to mitigate climate change** and anticipate its impact on our activities.
- **Creating opportunities and empowering all people** in the communities in which we are invested, as well as promoting diversity, equity and inclusion in society.

TOP PRIORITY

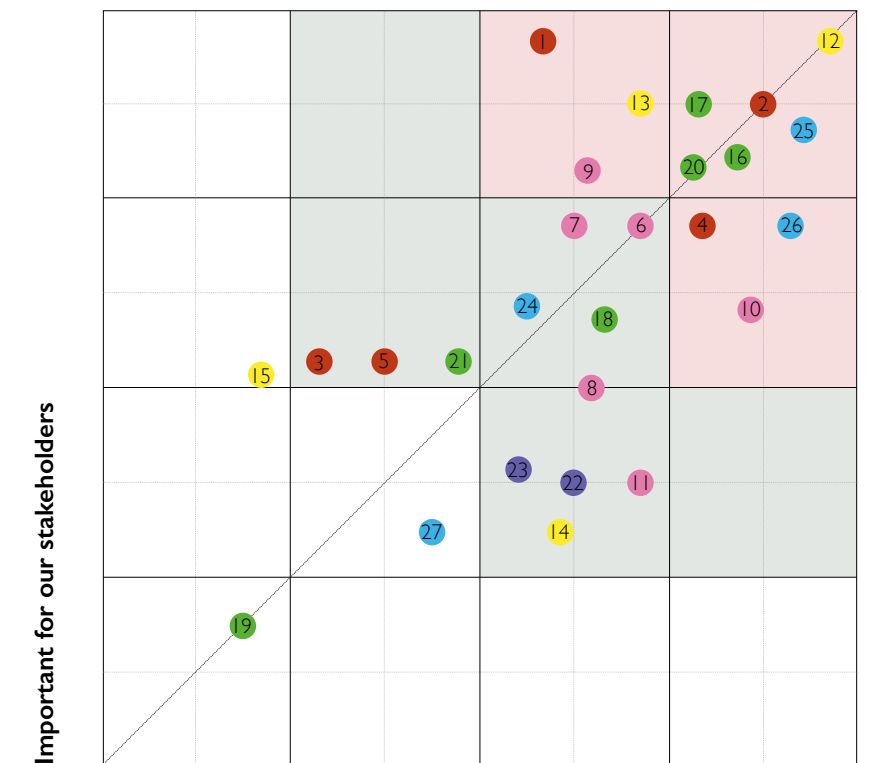
measure, monitor and take ambitious targets

- 12 Product/formula Safety and quality
- 25 Customer satisfaction and care
- 2 Responsible and sustainable sourcing and purchasing
- 16 Biodiversity protection, regeneration and fight against deforestation
- 17 Climate change mitigation, adaptation and energy transition
- 26 Transparency on product to customers
- 4 Stakeholders dialogue
- 20 Waste, especially plastic waste
- 13 Eco-socio design of product and environmental impact
- 10 Employees development (training, mobility, career path)
- 9 Diversity, equity and inclusion
- 1 Ethics, corruption, data protection

PRIORITY 2

to measure, monitor and improve

- 6 Employees health and safety
- 7 Employees well-being and mental health
- 18 Water consumption and quality
- 23 Philanthropy, donations to NGOs (monetary, in kind, in time)
- 24 Responsible communication, promotion of diversity and sustainable consumption
- 8 Fair management and salary practices
- 11 Engagement of employees and internal communication
- 22 Community investment and sharing economic value
- 14 Collaborative and open source innovation
- 21 Adaptation of the company to climate change
- 5 Responsible Lobbying
- 3 Company's mission



Important for our stakeholders

Important for L'OCCITANE Group

- governance, ethics and procurement topics
- workers topics
- community topics
- environmental topics
- products, marketing, innovations topics
- consumer topics

PRIORITY 3

to measure, monitor and limit risks

- 27 Responsible digitalisation and IT
- 15 Animal testing and animal origin products
- 19 Noise, odour and light nuisance



**ADRIEN
GEIGER**

Chief Sustainability Officer
and L'OCCITANE en
Provence brand Director

GROUP SUSTAINABILITY STRATEGY

“ In the face of the extremely sensitive and worrying situation in which our planet and our societies are, I am deeply convinced that one of the main challenges for humankind is to find ways of transitioning from consuming to regenerating. What appears as an oxymoron to some is, in my opinion, the only way to continue to do our business within planetary boundaries. As the Sciences Based Targets Network stated, “the transformation required to reach a nature-positive future is immense, but it is possible.” Our sustainability strategy has been thought through and is implemented with this regenerative compass.

Our Group is embedding regenerative practices throughout the organisation and the entire value and supply chain. To make sure we are giving ourselves the right level of ambition, we rely on international frameworks put together by scientists. Our climate strategy will be aligned with the new Net Zero Standard and our science-based targets have been validated by the initiative that created the guidelines. Our nature-positive biodiversity strategy, which we announced and rolled out in FY2022, has also been inspired by the initial guidance of science-based targets for nature. Both frameworks apply a mitigation strategy based on an important reduction of negative impacts as well as regeneration.

Over the last few years, L'OCCITANE Group has invested substantially in developing more sustainable practices from fields to stores. This includes the transformation of our sourcing methods, agroforestry, recycling and “eco-refill” programmes for our products. We are also exploring the benefits of a circular approach to our packaging and factories.

This nature-positive ambition is combined with human development goals, empowering people and promoting equity, diversity and inclusion. We conducted our first global DE&I survey across all entities and brands, answered by 6,647 employees, to communicate our Group’s roadmap on this matter. Building on our long-lasting partnership with the producers of our essences and active ingredients, we are looking to develop a fair-trade approach and the certification of all the producers of agricultural raw materials.

In 2020, we announced that we would pursue a B Corp certification for the Group, a status that reflects strong social and environmental performance and that is in line with the company’s pursuit of its “triple bottom line”: economy, people, nature. Great progress has been made in order to obtain this certification in 2023, thanks to the hard work of our teams across brands and across the 90 countries in which we are present.

Turning consumption into regeneration is a sizeable challenge for a Group as large and multilocal as ours. Collaboration with suppliers, competitors, NGOs and international organizations is key to scaling up regenerative practices, to inventing new business models and to meeting our ambition to turn consumption into regeneration. I am convinced this is the only path to take and I am very grateful to the committed teams and partners who are leading this change. ”

We have broken down our three main priorities into a first set of medium-term ambition and contributing objectives. Currently, we are working with all brands, countries and departments to define their roadmap and contribution to these Group targets. You will find further information in each chapter of this report.



Protecting and regenerating biodiversity, both natural and cultivated, within and outside our value chain.

Ambition: contribute to a nature-positive world.

Key targets by 2025:

- 90% of raw materials with plants traced back to the country of origin. (1)
- 80% of plant-based ingredients (and 100% iconic ingredients) with a positive approach to biodiversity.
- 100% RSPO Palm oil in raw materials.
- 100% of water used for industrial processes recycled in our two French factories.

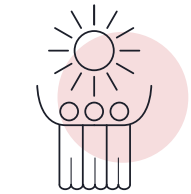


Delivering dramatic changes to mitigate climate change and anticipate its impact on our activities.

Ambition: contribute to a carbon net-zero world.

Key targets:

- By 2025, 100% renewable electricity. (2)
- By 2030, reducing absolute emissions in scope 1 by 46% (from FY2020 baseline).
- By 2030, reduce GHG emissions in scope 3 by 55% per unit of value added (from FY2020 baseline).
- By 2030, contribute to protecting ecosystems and creating carbon sinks for 100% of the Group’s emissions (scope 1, 2, 3).



Creating opportunities and empowering all people in the communities in which we are invested, as well as **promoting diversity, equity and inclusion** in society.

Ambition: contribute to a fair and inclusive world.

Key targets:

- ✓ By 2022, all countries with the new parental policy. **ACHIEVED**
- By 2023, 70% at Great Place to Work (GPTW) Trust Index.
- By 2025, EcoVadis rating of 64 for its direct purchases. (3)

To integrate this sustainability roadmap within its financial strategy, L'OCCITANE Group signed its first sustainability-linked loan in FY2021 and achieved its targets for its first two years.

In FY2021, L'OCCITANE Group announced the closing of its first sustainability-linked loan in the form of a €600 million revolving credit which matures on 31 March 2026. The terms of this new financing are indexed on ambitious sustainability indicators (see targets above 1, 2 and 3). In FY2022, each target has been achieved and verified by a third party.

BEING A RESPONSIBLE BUSINESS

Ethics and anti-corruption

Throughout its development, L'OCCITANE Group has committed to operating according to the principles of ethical and corporate responsibility. Diverse policies, initiatives and actions have been deployed in the past to continually consolidate these core commitments. Our journey towards the B Corp certification is leading us to enlarge our ethical commitment by harmonising our policies and practices through the whole Group.

These ethical commitments are detailed in our [Group Code of Business Conduct](#), based on the following key principles:

- Ensuring the quality of our products to protect the H&S of our consumers and employees across the value chain.
- Providing respectful working conditions.
- Conducting our activities with ethics and integrity.
- Acting responsibly to protect the environment.

This Code has been updated in FY2022 to reinforce some key topics — such as non-discrimination, diversity and inclusion, conflict of interests, insider trading or climate change mitigation — and to give more guidance on the Speak Up channels available.

Speak Up policies and channels were already available in several countries. However, in FY2022, we launched a Group Speak Up policy to ensure all our entities and employees have a channel available to raise concerns without fear of retaliation. When a concern is raised, the Internal Audit team conducts investigations in an independent, fair and unbiased manner with respect to all the parties involved and in accordance with relevant laws, policies and principles. Appropriate measures are taken when necessary and feedback is given to the initiator within a reasonable period of time.

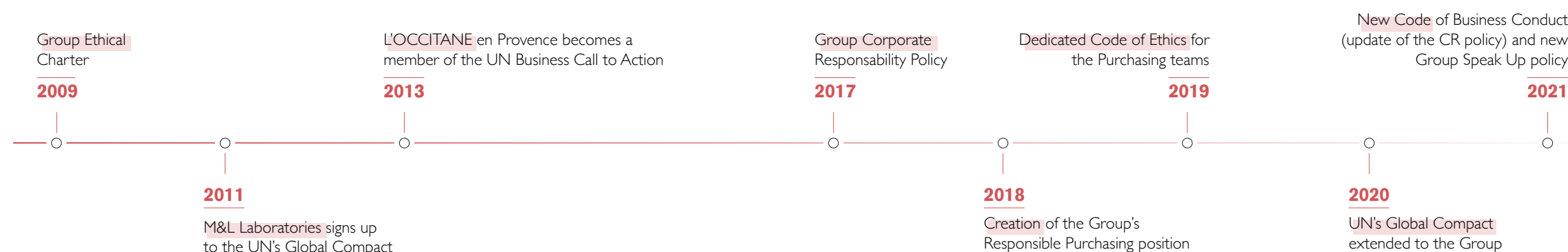
This Group Speak Up policy has been approved by the Audit Committee, which will review a summary of concerns raised both locally and centrally twice a year. This year, there have not been any Group alerts, no major alerts were reported locally and no legal cases regarding corrupt practices were identified or reported.

We have a specific Procurement Code of Ethics and we evaluate our suppliers on EcoVadis, paying particular attention to the ethics and anti-corruption assessment. This year, we reached a coverage of 95% direct purchase and 60% total purchase with detailed CSR evaluation (+46% vs. FY2021). All our procurement teams are regularly trained on this Code.

In the CSR evaluation of our suppliers, EcoVadis evaluates their management of risks related to ethics and makes a 360° documentary monitoring on the Internet, to raise any information that could be in conflict with our Code of Business Conduct. When the evaluation shows weaknesses in their risk management, especially on corruption risks, we immediately ask for a mitigation plan and we run a second evaluation during the year. During the process of documentary monitoring, we did not find any serious breach or legal proceedings of our evaluated suppliers. Corruption risks are also assessed as part of internal audits, by checking procurement and human resources' operations. Awareness of corruption risks is being reinforced with projects to train the top management and employees over the next years.

UNITED NATIONS GLOBAL COMPACT

In 2020, L'OCCITANE Group extended its membership and commitment to the whole company. M&L Laboratories, the French subsidiary in charge of the formulation, production and primary logistics of the brands L'OCCITANE en Provence and Melvita, had already signed the United Nations Global Compact in 2011. Under this programme, the company has committed to respecting ten core principles related to human rights, working conditions, environmental protection and the fight against corruption.



Product responsibility

Consumer health and safety

The Group's primary responsibility toward its consumers is to guarantee the quality and safety of its beauty products. Several measures have been put in place in order to ensure the quality and safety of all its beauty products, throughout the value chain.

For each of the countries and geographic regions in which the Group's products are sold, a proactive monitoring system has been put in place to track changes to regulations that concern ingredients, cosmetics and food products. This allows the Group to anticipate regulatory changes coming down the line, and thus ensure the compliance of its products on an international scale.

On a broader level, quality inspections are carried out at each step of the development process for products the Group manufactures – from the receipt of raw materials and packaging items, through formulation and manufacturing, right down to the finished product.

Development

Raw Materials (RM)

All raw materials undergo strict controls that go beyond the approved worldwide regulation and safety standards.

Packaging Materials (PM)

Certification delivered after a literature review. Audit according to risk analysis.

Bulk Products & Formulas

Formula development follows a strict formulation charter which goes beyond regulatory compliance. Specific criteria in the L'OCCITANE en Provence Clean Charter highlight even more resolute commitment to creating more natural formulas (leave-on products) and ingredients that minimise environmental impact (rinse-off products) without compromising our products' efficacy, safety or sensory effect.

Evaluation of finished products

100% of the formulas developed undergo rigorous skin tests to ensure consumer safety.

Production

RM & PM received

More than 10,000 batches of raw materials and packaging materials are checked before use.

Manufacturing & Packaging

Depending on the product, 30 to 40 quality controls are conducted throughout the production process by the Production team and Quality laboratories.

Finished product

Post purchase follow-up

Cosmetovigilance system to identify potential risks to health, from marketed cosmetic products and identify corrective measures to enhance the safety of cosmetic products.

It consists of the collection, risk assessment and management of spontaneous reports of undesirable events (adverse reactions for human health attributable to use of a cosmetic product) observed during the normal or reasonably foreseeable use of a cosmetic product.

Consumers can also share their feedback on products with us directly through our e-commerce websites. They can also contact the local customer care service if they have any questions or complaints to report.

This year, the Group has defined a new [Quality policy](#). It describes its mission to “Cultivate natural beauty and well-being and to regenerate nature starting with thinking about how to constantly surprise and amaze customers, while anticipating what society expects”.

For that purpose, all actors in the value chain work to constantly improve the quality and efficacy of our products, to exceed our customers' expectations, feeling motivated to go further, but never compromising on consumer safety.

L'OCCITANE Group guarantees traceability throughout its distribution chain. It has a worldwide recall process that covers all brands and all distribution channels (retail stores, e-commerce, distributors, etc.).

This process is tested every year by performing full-scale exercises.

In terms of product quality performance during FY2022:

- Zero products that had been sold or shipped were subject to recalls for safety and health reasons, as a result of adverse effects on or threats to the safety of consumers.
- The number of cosmetovigilance cases increased by 29.7% in FY2022 vs. FY2021 on a comparable scope (due to the increase of data collection, enabled by a new and more user-friendly cosmetovigilance database and the training courses carried out in several countries) and we have consolidated the cases for LimeLife and ELEMIS.

Responsible marketing and communication practices towards customers

Transparency on product composition

L'OCCITANE Group respects its clients by sharing honest and transparent information about its products, its formulas and its benefits. Every brand is testing different methods to make sure its customers get all the information they need:

L'OCCITANE en Provence has its formulation charter available on its e-commerce website (and on the [L'OCCITANE Group website](#)). It clearly explains the ingredients that they prioritise, those that they have banned and those they use cautiously. This is updated on a regular basis.

L'OCCITANE en Provence has also created its '[L'OCCITANE Clean Charter](#)'. This charter goes beyond the Formulation charter and highlights the brand's commitment to creating more natural formulas (leave-on products) and ingredients that minimise its environmental impact (rinse-off products) without compromising its products' efficacy, safety or sensory effect. In addition to the ingredients we use with moderation, for leave-on products, the criterion used in the Clean Charter is based on the percentage of natural-origin ingredients, whereas for rinse-off products, it is based on the percentage of readily biodegradable ingredients.

The products that comply with this higher level of commitment are easily identifiable, which appears on their packaging and on the L'OCCITANE en Provence website.

Transparency commitments and practices from other brands

- **Erborian** publishes the ingredients they don't use ([HERE](#)) and an explanation of each category of ingredients they do use ([HERE](#)).

- **Melvita** publishes the criteria for ECOCERT certification ([HERE](#)), gives explanations on each ingredient of new products formulas detailed in their INCI list (International Nomenclature Cosmetic Ingredient) and aims to do the same with the whole product portfolio.

Honesty in product claims

Our **Responsible Marketing Policy** formalises guidelines for all communication assets developed for L'OCCITANE en Provence:

On product efficiency

- Only use the claims provided by the Regulatory team and sustained by user testing and/or clinical testing.
- No performing comparative studies with competitive products because the context and the tests could be very different.
- Pre and postproduction techniques should not alter images to such a point that they become misleading for the consumer.
- Photo editing of models should not suggest that the products are the ones that create that result.

On environmental claims

- Advertising should not take advantage of consumers' concern for the environment or their possible lack of sectorial knowledge.
- Each claim, image and symbol emphasising the environmental benefits of a product must be duly supported by proof that can be understood by an average consumer. It should not give a false impression or exaggerate the benefits.
- Environmental statements should be presented in a manner that clearly indicates whether it applies to the complete product, to a component, to the packaging or to an element of a service.

On social responsibility and cultural sensitivity

- Marketing campaigns should never be discriminatory or offensive to any group or person based on social, racial, ethnic, religious, political beliefs, gender expression/identity, sexual orientation, physical abilities, age or physical traits.
- Sexist and gender stereotypes should not be promoted in our marketing practices and minorities should not be exploited.

Personal Data Protection

L'OCCITANE Group takes data protection and people's privacy very seriously. We are committed to protecting our clients, employees, candidates and partners' personal data and privacy rights.

Our Global Privacy Policy sets out the data protection principles and frame that govern the way in which we process the personal data of individuals that we deal with, including our clients, digital users, employees, staff and contractors and employment candidates. These principles must be followed by all directors, managers, employees or contractors within L'OCCITANE Group.

This policy is overarching all internal policies, procedures, guidelines and standards related to personal data protection and privacy, which detail these principles and how they must be followed.

Under our Group Data Protection Officer's supervision, **regular trainings, awareness sessions and compliance assessments are carried out** to ensure an appropriate level of awareness within the Group. **Our Global Privacy Committee**, which meets on a regular basis, supervises L'OCCITANE's overall data protection compliance.

Customer relationship management

Addressing consumer concerns and surpassing consumer expectations is a top priority for L'OCCITANE Group. For this purpose, the Group has implemented a **Quality and Customer Care policy**. It states that the company is committed to:

- Listening to its customers and responding to all their questions in a transparent way.
- Sharing customer service contact information through our products or websites.
- Making product reviews entirely available to the public.
- Responding to all direct inquiries or complaints in less than one month.
- Respecting consumers' rights and thoroughly investigating any complaint to guarantee product safety and maximise customer satisfaction.

Customer satisfaction monitoring

Internally we closely monitor our customers' satisfaction in various ways, one of which is by using a system called the “*Net promoter score*” (NPS) which is a market research metric that typically takes the form of a single survey question asking respondents to rate the likelihood that they would recommend a company, product or service to a friend or colleague.

L'OCCITANE Group measures NPS in all its interactions with customers, through online sales, retail and customer service. This allows us to have a holistic approach to customer satisfaction. It is monitored in 13 countries and in FY2022, the average NPS increased by two points in comparison to the previous year.

In FY2022, we have also implemented a voice-of-customer tool to collect and analyse product reviews from our website and marketplace sites worldwide through artificial intelligence. This tool will allow us to further develop our consumer-centric approach.

NO GROUP ALERT
WAS RAISED THIS YEAR
ON OUR SPEAK UP
CHANNEL AND NO
MAJOR ALERT WAS
REPORTED LOCALLY

NO LEGAL CASE
REGARDING CORRUPT
PRACTICES IDENTIFIED
AND REPORTED

NO PRODUCTS SOLD
OR SHIPPED SUBJECT TO
RECALLS FOR SAFETY
AND HEALTH REASONS

NO SERIOUS BREACH
OR LEGAL PROCEEDINGS
FOUND DURING
THE DOCUMENTARY
MONITORING OF OUR
EVALUATED SUPPLIERS

CUSTOMER NPS
INCREASED
BY TWO POINTS.



III. OUR GROUP SUSTAINABILITY PRIORITIES

FOR NATURE

Preserving and regenerating biodiversity
Contributing to mitigating the climate crisis
Reducing the environmental impact of our production sites
Product, innovation and eco-socio-design





PRESERVING AND REGENERATING BIODIVERSITY

L'OCCITANE Group's beauty and well-being products take their inspiration from nature. Biodiversity and its benefits are fundamental to human well-being and a healthy planet. This is why we have taken action for more than 40 years to preserve and restore nature, and why we are still striving to make a positive impact. Our planet now faces a global biodiversity extinction crisis never before witnessed by humankind. Our company and the whole industry are taking action against the extinction of species and the degradation of ecosystems that provide the resources we rely on. We are at a turning point in tackling biodiversity loss.

OUR AMBITION: To contribute to a nature-positive world by developing a programme of actions that makes an impact on the whole value chain and by transforming our business ecosystem and more.

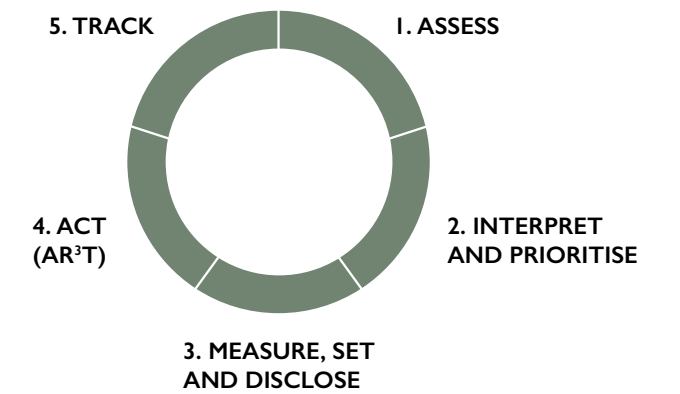
OUR APPROACH:

- **Applying the Science-based Targets for Nature framework (SBTN)** to understand our impact and dependencies, prioritise actions and set targets. We focus on the SBTN Action Framework (AR3T) to build the Group's mitigation and positive impact strategy.
- **Addressing the five key drivers of nature loss:** land and sea usage change, resource exploitation, pollution, invasive alien species and climate change.
- **Using a nature-based solutions approach,** to articulate climate, biodiversity, and social benefits.
- **Prioritising areas** where there is a greater impact (natural raw ingredients and packaging process).
- **Focusing first** on L'OCCITANE en Provence and Melvita, then progressively expanding to the other brands.

How are we doing it?

- **Understanding our impact** by measuring the effect of our supply chain on biodiversity – with traceability, risk analysis and life-cycle analysis.
- **Reducing impact on biodiversity** by improving practices: responsibly sourcing our raw materials and restoring ecosystems inside and beyond our value chain.
- **Systemic transformation** by driving change in the business ecosystem and beyond.

THE FIVE-STEP PROCESS OF SBT'S FOR NATURE



For more information see our [L'OCCITANE Group Biodiversity Strategy](#) published during the IUCN World Conservation Congress.

Key targets by 2025

Traceability of **90%** of our plant-based raw materials to their country of origin (by volume).

To evaluate the environmental and social risks of all Group brands.

To apply a positive approach to biodiversity for all our plant-based ingredients.

100% of our key raw ingredients in line with sustainable agricultural principles based on agroecological, organic, fair-trade, sustainable certifications.

To achieve RSPO certification for **100%** of the palm oil contained in raw materials we purchase across the Group for L'OCCITANE en Provence and Melvita by 2021; for ELEMIS by 2023.

To develop a forest-positive approach.

To meet the very high threshold of **95%** readily biodegradable ingredients in **90%** of the formulas for rinse-off products for L'OCCITANE en Provence, Melvita and ELEMIS.

Key progress FY2022

56% of plant-based ingredients traced back to the country of origin.

Social and environmental risk analysis done for **80%** of plant-based ingredients in their country of origin.

First regeneration projects for main raw materials, based on land footprint: **palm tree landscape in Indonesia, shea forest in Burkina Faso.**

15 farmers have implemented the agroecology sustainable farming approach and joined the Fair-trade association.

96% of RSPO palm equivalent of total Group palm volume equivalent. L'OCCITANE en Provence and Melvita **99,5%** since FY2021.

No progress

Rinse-off formulas reaching 95% readily biodegradable ingredients percentage per portfolio: **89%** L'OCCITANE au Brésil, **86%** L'OCCITANE en Provence and **77%** Melvita.

Understanding our impact

by measuring the impact of our supply chain on biodiversity

In 2016, the Group conducted a biodiversity assessment with the French committee of the International Union for Conservation of Nature (IUCN) to determine the impact of our brands' activities on biodiversity. The study assessed all parts of the value chain: sourcing, manufacturing, packaging, logistics and distribution. Moreover, it revealed that our main challenges are related to the sourcing of natural raw materials.

During 2021, we focused on conducting a biodiversity assessment and risk analysis of our value chain, in order to understand our Group's impact. The company has been committed to biodiversity since its origin, and we have in place a dedicated team that has been working on local projects for decades.

The key priority now is to assess the global impact of the entire value chain in order to design and implement an effective action plan. Our global biodiversity assessment has covered four main areas:

- Traceability of our ingredients
- Plant-based risk analysis
- Packaging impact
- Product life-cycle analysis (LCA)

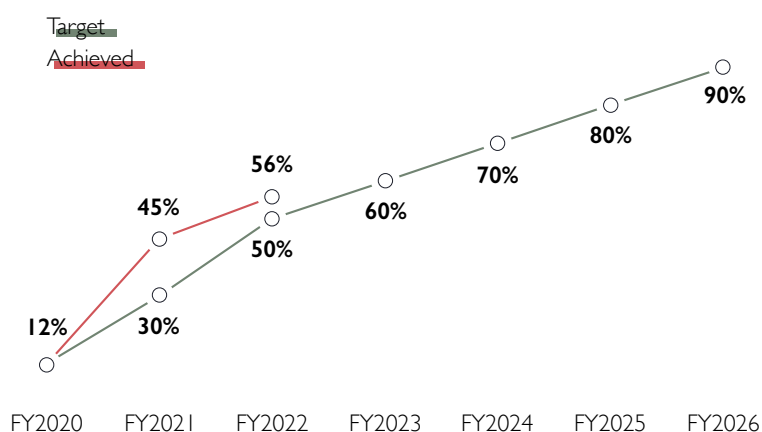
TRACEABILITY OF OUR INGREDIENTS AND LAND-FOOTPRINT

The first step towards analysing our impact on biodiversity is to understand the exact composition of the plants used in our products and determine their precise geographical origins.

Between 2020 and 2025, L'OCCITANE en Provence and Melvita aim to trace back to their country of origin the plants that account for 90% of the raw materials used in formulas. This ambitious project concerns all plant-based raw materials, including all plant extracts and vegetable oil derivatives.

BIODIVERSITY KPI - TRACEABILITY OF PLANTS

In FY2022, we achieved 56%* traceability for our raw materials origin.



* Scope L'OCCITANE en Provence and Melvita

This work on traceability will allow us to estimate the land-footprint of our raw material portfolio per geographical origin: in other words, the surface dedicated to plant production. It will also give us the ability to prioritise regenerative and restoration projects in the field.

In order to conduct our land-footprint calculations, we are currently developing a specific IT tool that can register and monitor the traceability data collected through our suppliers.

PLANT-BASED INGREDIENTS IMPACT ANALYSIS

80% of the volume of our plant-based ingredients comes from 15 plants that are cultivated in various countries. In order to assess the risks related to the cultivation of these plants and improve our impact, the Group has entrusted a specialised company to undertake a social and environmental risk analysis.

We now have a clear view of our impact and the social and environmental risks related to plant cultivation, to integrate it in our decision-making and procurement practices. Also, we are seeking to apply our action plan to each feedstock and engage in dialogue with our main suppliers.

PACKAGING IMPACT AND PRODUCT LIFE CYCLE ANALYSIS

We have been conducting Life Cycle Analysis on packaging for several years and regularly strengthening our eco-design roadmap. However, this year the tool has also been applied to obtain data on the ingredients and raw materials used in our formulas. The objective is to carry out Life Cycle Analysis on all the products of our portfolio: we have started with the top 20 and are now working on the top 50.

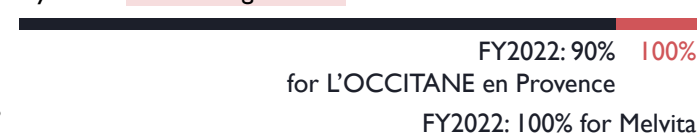
Life Cycle Analysis data will also be used to complete the social and environmental risk assessment of feedstocks and build a raw material roadmap.

The main objectives are:

by 2025 75% of our aluminium packaging with 100% of PCR aluminium



by 2025 100% folding cartons FSC-certified



FY2022: 90% for L'OCCITANE en Provence
FY2022: 100% for Melvita

Reducing impact on biodiversity

by improving practices to responsibly source our raw materials

We are working towards sourcing our ingredients while preserving biodiversity: we encourage our supply chain partners through different initiatives, providing financial support, incentives and technical assistance to help them transition towards regenerative practices. Each brand is committed to contributing to a nature-positive future by working on direct plants sourcing.

In 2021 L'OCCITANE Group purchased 40% of the raw materials certified by an International Convention

– Organic, Fair for Life, RSPO, etc.

Sustainable sourcing at L'OCCITANE en Provence & Melvita

Key raw ingredients are those that come directly from the field, supplied in a short circuit between L'OCCITANE en Provence or Melvita and farmers. We are currently developing projects to improve the sustainability of agricultural production, both from an environmental and social point of view. In Melvita and L'OCCITANE en Provence:

- We are currently working with 41 sustainable supply chains, monitored directly on production sites via regular field visits (about 200 per year) and six audited supply chains according to a Responsible Procurement charter.
- 14 of these supply chains are subject to multi-annual contracts which provide producers with a long-term vision of production capacity and cost.
- There are 269 farmers partnering with 252 family farms and more than 17,000 pickers in a short supply chain.
- Both brands promote certified organic farming for their key raw materials, using methods that respect ecosystems. 97.7% of these raw materials are certified as organic and, of these organic raw materials, 80.5% are also certified Fair for Life.

Sustainable sourcing at ELEMIS

ELEMIS is committed to its sustainability mission, aiming to protect our planet throughout every step of production. This begins with the environmental and social impact related to the farming and harvesting of their ingredients.

In Essex, United Kingdom, ELEMIS works with a 5th-generation farming family which grows its Starflower and Camelina. In Herefordshire, they work with a female farmer growing organic Rose and Willow.

ELEMIS' Starflower is a biodiversity champion, helping support the British honeybee colony with beehives located alongside the fields. Starflower functions as a bridging crop for honeybees, providing nectar at a time of year when flower crops are limited.

ELEMIS' Rose petals are grown organically, with hedgerows re-established around the fields to enhance biodiversity, especially insects, birds and small mammals. Each rose petal is delicately hand-picked at its peak to capture its optimum fragrance. It is then laid out on a white sheet to dry and allow any insects to disperse.

Over the coming years, ELEMIS will be working to further improve its positive contribution to biodiversity and promote sustainably sourced ingredients. We will do this by identifying up to ten ingredients that we can utilise in greater volumes across our supply chain, working with farmers and communities to build projects, and identifying new suppliers to increase our positive impact on the environment.

Sustainable sourcing at L'OCCITANE au Brésil

L'OCCITANE au Brésil is also deeply involved in a sustainable sourcing programme and works with ten sustainable supply chains to obtain ingredients such as pataua, licuri, mandacaru and bacuri, as well as 25 audited supply chains. The local team works closely with local communities to improve both their environmental and social impact.



Action for sustainable derivatives coalition

At the same time, the Group is working on commodities through the Action For Sustainable Derivatives Coalition (ASD), a collaborative initiative co-managed and co-facilitated by BSR and Transitions, two organisations with extensive experience and expertise in supply chain sustainability and business collaborations. It brings together companies in the cosmetics, home and personal care and oleochemical industries to collectively tackle supply chain issues around palm oil. ASD facilitates the sharing of information, data, constraints and solutions to achieve a wholesale transformation of the complex palm derivatives sector.

The Group is actively working in two key derivate ingredients coalitions: palm oil and coconut oil derivatives.



Palm oil coalition

Palm oil comes from the fruit of the oil palm tree. It is mostly used in food products, but it can also be found in certain cosmetic products. The intensive cultivation of oil palm trees can have devastating consequences on the environment and biodiversity. Although as of today, L'OCCITANE en Provence, Melvita and ELEMIS do not purchase palm oil directly from producers, our formulas may contain certain derivatives.

Since 2011, L'OCCITANE has been a member of the **Roundtable for Sustainable Palm Oil (RSPO)**, a non-profit organisation that brings together all stakeholders across the palm oil industry to develop and implement global standards for certified-sustainable palm oil.

The Group has the ambition of achieving **100% RSPO certified raw materials by 2025**.

In 2021 calendar year RSPO certified covered **96%** of the palm based raw materials purchased.

In 2021 L'OCCITANE Group purchased approximately 3,000 tonnes of palm (kernel) oil equivalent. The remaining percentage of non-certified raw materials is due to supply shortages of certified raw materials or to the absence of RSPO certification at the time requested from our suppliers.

Going further with our commitment to minimise impact on biodiversity, with palm oil production having been identified for many years as a major risk, L'OCCITANE Group has decided to support a field project that aims to protect a natural forest in risk of deforestation and watersheds in a palm production landscape. This project will involve local communities in the protection of the ecosystem.

Coconut oil coalition

During FY2022, we joined forces with other members of ASD to work on coconut supply chain transparency. The goal of this assessment is to achieve a better understanding of the coconut supply chain related to the cosmetics industry, as well as the environmental and social risks of coconut production. This is the first step of our sustainability strategy on coconut derivatives: to assess and measure our impact. The following steps of this strategy will involve reducing risks and supporting the transformation of production landscapes.

Restoring and regenerating ecosystems inside and beyond our value chain

Inside our value chain by sustainably cultivating our key ingredients

Supporting our key ingredients producers in their agroecology transition.

Since 2020, we have developed an agroecology programme in the South of France and the island of Corsica, with 15 local farming partners. Our partners are providing key ingredients such as lavender, almond, immortelle and rose.

This partnership was shaped into an official, independent organisation: the Agroecology & Fair-Trade Association, regenerative agriculture in the Mediterranean. As in the case of L'OCCITANE Group, this organisation has established a democratic model of governance. Its purpose is the following:

Produce sustainably and increase the value of our agricultural production.

- Produce with agroecological practices.
- Increase value through fair trade.
- Share in open source.

L'OCCITANE Group supports this organisation by providing:

- Substantial financing: since 2020 – and on a yearly basis until 2025 – L'OCCITANE has provided the equivalent amount of what will be the future fair-trade endowment, officially established through Fairtrade certification¹. The organisation uses this money to invest in research into agroecological practices: experimenting with seeds, counselling, training, etc.
- Technical support: we provide technical assistance to farmers by introducing them to new techniques, adapted to their fields' limitations and needs, such as soil covering. We have also given support to producers in the field of agroforestry.



Objectives:

- To benefit from cover crops and increase the rate of organic matter in soil, which will contribute to the proper nourishment of crops while leading to field self-sufficiency, thus reducing dependency on agricultural inputs;
- To enhance biodiversity in fields in order to benefit from auxiliary species, such as bees and pest predators.

Progress since 2020

- We have performed ten soil covering tests.
- We have conducted 14 soil and cover crops analyses.
- Soil cover tests will be performed in 2023 using two different species of wild plants.
- Seven producers have also benefited from agroforestry project assessment and plans.
- A lavender breeding and variety reintroduction programme has produced two new varieties: Mila and Éternelle.

L'OCCITANE Group is committed to obtaining a fair-trade certification for all key ingredients by 2025.

As of today, all our producers partners based in France are on the way to be fair-trade certified.

Long-term support for the Haute Provence fine lavender industry.

L'OCCITANE is contributing to various initiatives that work to reduce the impact of growing, harvesting and distilling lavender.

Since the early 1980s L'OCCITANE en Provence has contributed to the creation PDO (Protected Designation of Origin) label – the European equivalent of the AOC (Appellation d'Origine Contrôlée) label to protect the expertise of the producers of Haute-Provence lavender. Today, the brand works with two co-operatives and one distillery in the region, with whom multiannual contracts have been established to guarantee purchase volumes and assure long-term economic security. In providing this unwavering support to the industry and its stakeholders, L'OCCITANE contributes to maintaining and supporting this PDO, which brings added value to the region and to the high-quality product that is linked to its landscape.

In 2012, L'OCCITANE acquired the commitment to protect lavender by becoming one of the founding members of the *Lavender Endowment Fund*. This fund brings together all stakeholders in the lavender supply chain – producers, processing industries and local agencies – around a single mission: to adapt production methods to mitigating climate change challenges. Through this fund, L'OCCITANE contributes to financing the *Green & Lavender programme* with the aim of reducing 50% of fossil fuel consumption in the lavender and lavandin industries by 2030.

In addition, the lavender producers are part of our agroecology programme supported by our Sustainability and Biodiversity Departments promoting new cultivation practices to reduce the impact of lavender cultivation and facilitate the adaptation of this plant to climate change. In particular we are focusing on soil covering – which could involve planting wheat or spelt in between rows of lavender – which helps to regulate the ground temperature, store carbon and create a natural barrier for pests. In FY2022, a total of 180 hectares of lavender fields were sown with vegetation cover.



¹ For more information: <https://www.fairtrade.net/>

The RESIST programme in Burkina Faso: a model for sustainable and inclusive shea butter sourcing

Shea butter is one of L'OCCITANE en Provence's key ingredients and it is in the top ten of our global raw material portfolio. Shea trees grow wild in Sub-Saharan forest and the nuts are collected and processed using traditional methods in order to obtain the butter.

Since the 1980s, we have been sourcing organic and fair-trade shea butter directly from five cooperatives that bring together 10,000 women in Burkina Faso and, more recently, Ghana.

Partnering with local cooperatives and with the support of a team located on the field, we have contributed to establishing a practical and sustainable production system that helps safeguard traditional knowledge that has been passed down through generations. At the same time we are improving and minimising environmental impacts, particularly through a green mechanisation process.

Between 2018 and 2021 we implemented the **RESIST (Resilience, Ecology, Strengthening, Independence, Structure and Training) programme**: a three-year project that takes our sustainable and fair-trade values to the core of commercial partnership, as part of our commitment to local communities. This programme was recognised as exemplary by the United Nations Development Programme (UNDP) in 2019.

The main objectives established were to protect the area's natural resources while also securing our access to organic shea nuts in sustainably managed parklands, as well as empowering women by ensuring continuity between the women's traditional know-how and the increasing mechanisation of the production process.

RESIST programme outcome:

- 33 shea parklands have been established.
- 8,500 pickers were trained in agroforestry techniques.
- The process that turns shea kernels into shea butter was mechanised to improve women's working conditions and to reduce wood consumption (2,000 tonnes/year).
- Diversification: cooperatives have seen their client base widen and their revenue and membership increase.

Over the coming years, as part of our Group Biodiversity Strategy, we will continue supporting communities through Local Forest Committees, which aim to protect shea trees and their environment through landscape management: including the inventory of the shea tree populations, protection, regeneration and restoration of biodiversity.

Beyond our value chain

Livelihoods Carbon Fund

As part of our net zero carbon approach, L'OCCITANE Group has joined the 3rd Livelihoods Carbon Fund. LCF3 invests in large-scale projects to restore natural ecosystems, promote sustainable farming practices and facilitate access to sustainable rural energy. As one of the 14 investors in LCF3, L'OCCITANE Group will receive carbon credits issued by projects that are positive for biodiversity and local communities.

With a first investment of €150 million, LCF3 aims to improve the lives of two million people while delivering up to 30 million carbon offsets over the next 20 years.

This complies with L'OCCITANE Group's Carbon Net Zero strategy, which involves investing in projects that are positive for communities and biodiversity:

- In areas where L'OCCITANE Group has an impact (through raw material production or product distribution).
- In areas identified as **biodiversity hotspots** and/or identified as a **deforestation front** (ecosystem degradation).
- In areas that are particularly vulnerable to climate change (sources: [IPCC report](#), [Global Climate Risk Index](#)).

Philanthropic support to biodiversity projects around the world

Beyond the impact of the L'OCCITANE Group supply chain, some brands (L'OCCITANE en Provence and Melvita) contribute to a nature-positive world by financing meaningful projects all around the globe, in places where there is a need to protect and regenerate biodiversity (see more in [8. L'OCCITANE GROUP'S PHILANTHROPY](#)).

Systemic transformation by driving change in the business ecosystem and beyond.

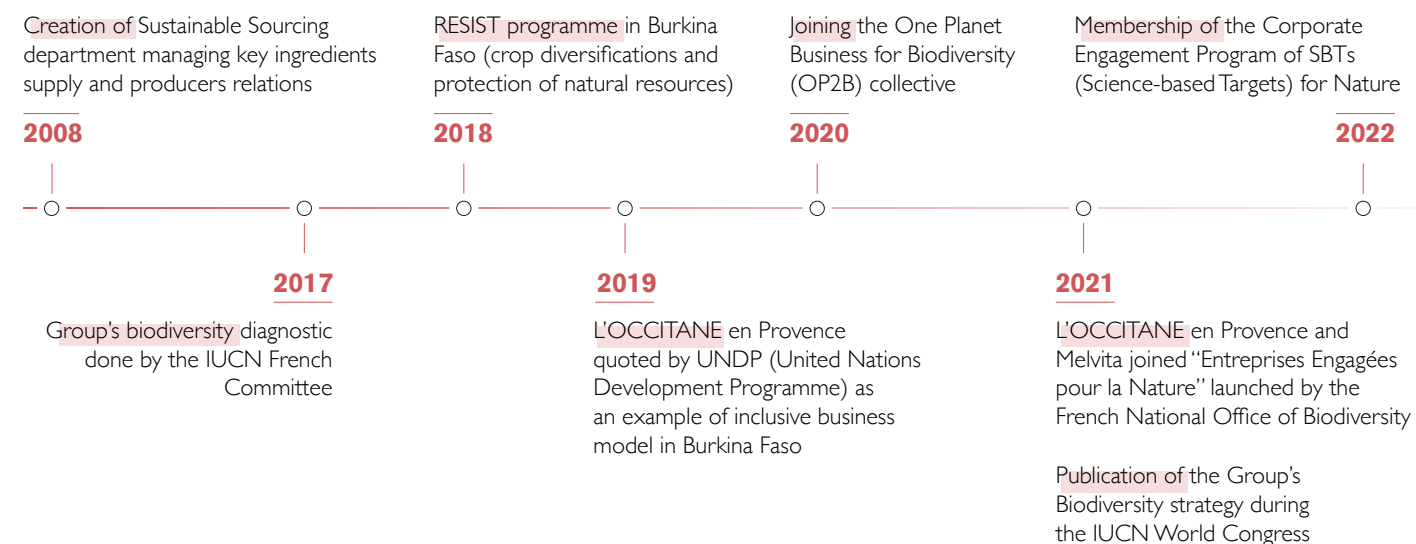
In order to contribute to a nature-positive future, the L'OCCITANE Group seeks to drive change in its business ecosystem and beyond. We believe that collective action can bring about transformation at a systemic level. The L'OCCITANE Group engages with many stakeholders – employees, consumers, suppliers, business coalitions and public authorities – to champion nature-positive ideas and practices.

In FY2022, the Group contributed to the development of OP2B's Regenerative Agriculture and Restoration Frameworks², which consist of defining a set of indicators and a collective project. We also carried out advocacy work, especially during the IUCN Congress held in September 2021 in Marseille and the Convention for Biological Diversity meetings held in Geneva in March 2022.

²The OP2B (One Planet business for biodiversity) coalition currently brings together 25 businesses that are committed to taking real steps to reduce agriculture's environmental footprint within their supply chains by deploying agroecology practices, cultivated biodiversity diversification and ecosystem protection measures on a large scale.

For FY2023, the main objectives will be:

- To ensure the measuring of our value chain impact in order to make sure we prioritise areas where we have the biggest impact, revising targets if necessary and setting up new targets for product eco-design and raw material sustainability.
- To implement regenerative and restoration projects in the territories where we have created an impact on the feedstocks used to produce our raw materials.



CONTRIBUTING TO MITIGATE THE CLIMATE CRISIS

Our carbon footprint and carbon net zero roadmap

The latest Intergovernmental Panel on Climate Change (IPCC) report, published recently, demonstrates that the fight against climate change is a global issue that urgently demands efforts from all of us.

After almost 15 years of working on climate change issues, the Group now aims to go further by contributing to limiting global warming. As recommended by the Paris Agreement, by the end of this century, we should have avoided a rise in the global temperature of 1.5°C above the pre-industrial period. In order to contribute on its own scale, L'OCCITANE Group made the commitment to become a Carbon Net Zero company by 2050, following the SBTi Net 0 Standard requirements – the first global science-based standard for companies to set net zero targets (published in October 2021).

Its roadmap consists on:

- Achieving 2030 and 2050 SBTs emission reduction targets in line with 1.5°C pathways, taking FY2020 as baseline.
- Contributing to the transition to net zero carbon emissions. By 2030, L'OCCITANE will be carbon balanced by investing an amount equivalent to its emissions into projects to protect ecosystems and also increase carbon sinks.

L'OCCITANE GROUP CARBON NET ZERO ROADMAP
All targets from the FY2020 baseline



Group key climate targets 2025

Source 100% renewable electricity in all sites owned by the Group
Production sites in France carbon neutral by 2025
Continuous effort to reduce carbon emissions

Progress FY2022

95% renewable electricity
37% of carbon reduction in French factories
74% absolute reduction of GHG emissions linked to our scope 1 and 2 in FY2022 versus our baseline FY2020.

Group key climate targets 2030

Reduce absolute Scope 1 emissions by 46%
Reduce scope 3 GHG emissions by 55% per unit of value-added

Progress FY2022

-2% reduction
Reduction by -3% on packaging, raw materials and merchandising purchases and by -8% on use phase. Increase by +11% due to transport data collection improvement.

Contribute to protecting ecosystems and creating carbon sinks with investments equivalent to 100% of the Group's emissions

First project investments in GHG mitigation projects in our value chain

Group key climate targets 2050

To be a Carbon Net Zero company by 2050 following SBTi Net 0 Standard requirements



First GHG assessment on export logistics flows

2008

2011-2014

GHG assessments for factories, central sites and export logistics flows

Group GHG assessment – not on a full scope

2016

2019

Factories, central sites and export logistics flows – 14% reduction per tonne produced (2014 scope). First full Scope Group GHG Assessment

Understanding the Group's carbon footprint and measuring the progress

At L'OCCITANE Group, we are convinced that there is no improvement without measurement. Our first carbon assessment dates back to 2008 and since then we have continuously measured our carbon footprint.

The Group GHG (Greenhouse gas) emissions assessment – based on the GHG Protocol methodology – takes into account the whole scope of our activities and brands, from the purchase of raw materials to our products' end-of-life.

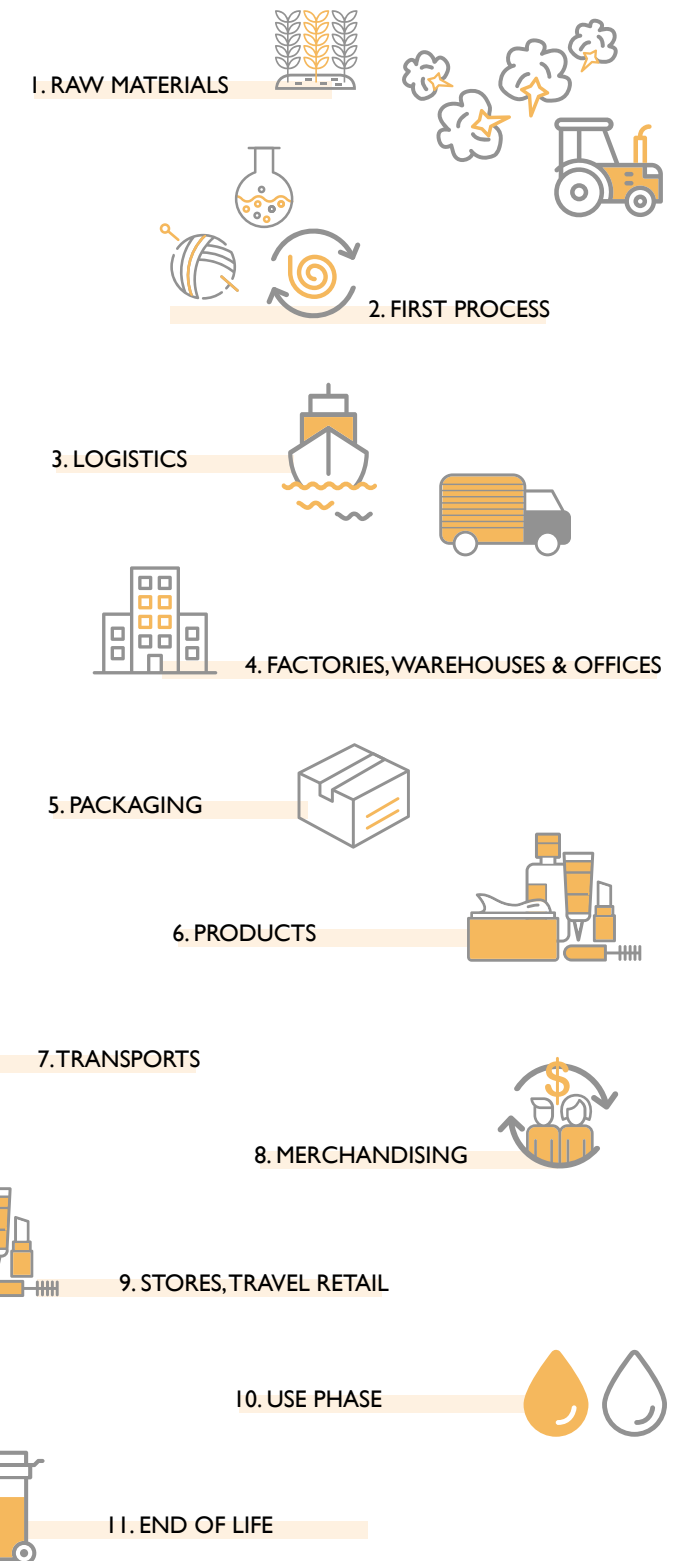
OUR SCOPE OF MEASUREMENT

• **SCOPE 1.** Direct emissions from sources owned or controlled by the company – mostly stationary combustion, mobile emissions and fugitive emissions from our factories, our company-owned stores, our offices and our warehouses.

• **SCOPE 2.** Indirect emissions from the energy we purchase – mainly electricity – for our factories, company-owned stores, offices, and warehouses.

• **SCOPE 3.** All other indirect emissions: purchased goods and services, capital goods, upstream activities related to energy, upstream transportation and distribution, waste related to production, business trips, employee commuting, downstream transportation and distribution, processing of sold products, use of sold products, end-of-life of sold products and franchises – our non-company-owned stores in distributor countries and travel retail.

L'OCCITANE GROUP ASSESSED VALUE CHAIN OVERVIEW

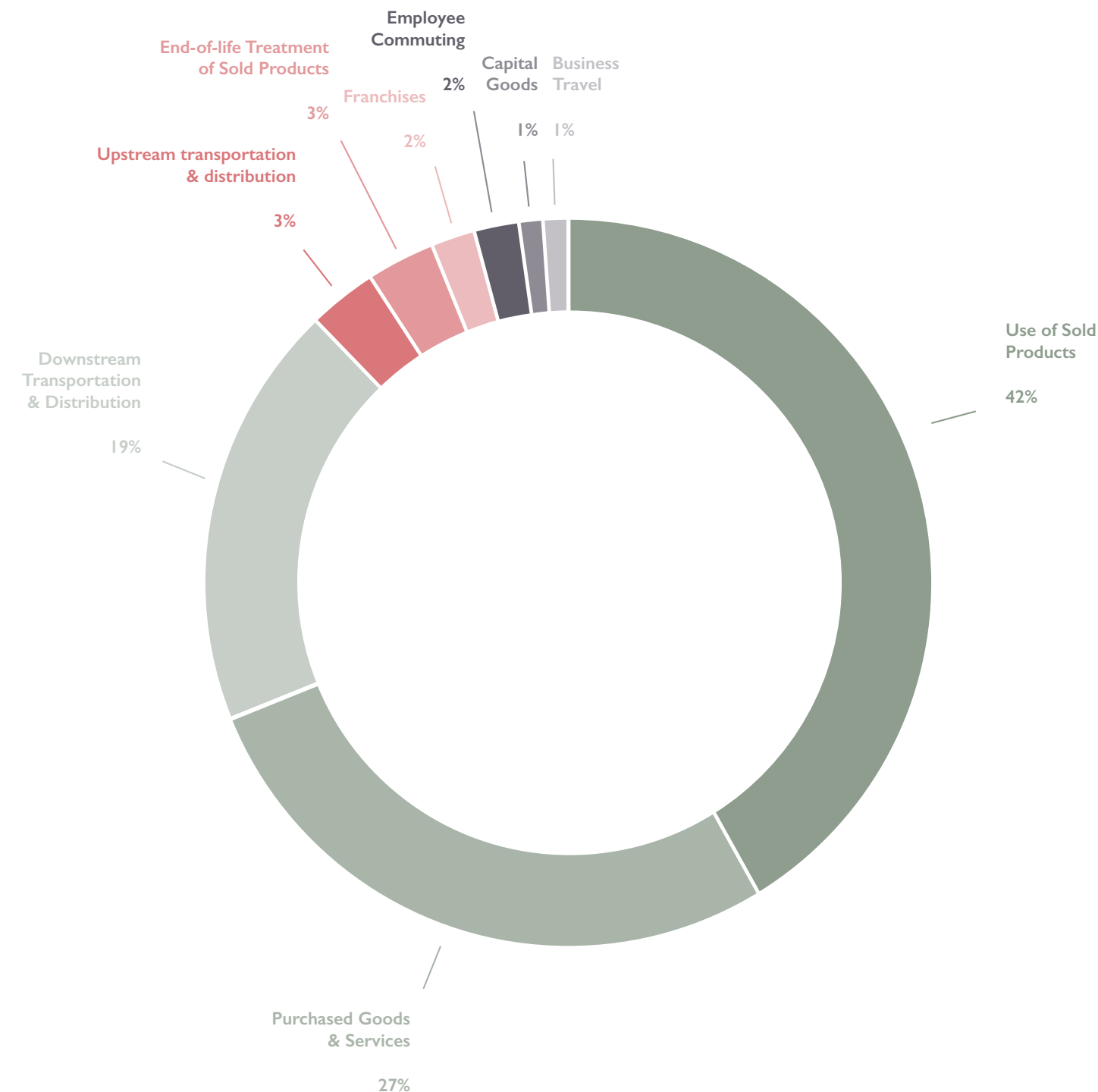


In FY2020, the Group's GHG Assessment breakdown was 5% of total emissions due to scope 1 and 2 and 95% to scope 3. The 'hot-spots' of GHG emissions were the use of sold products (48%) related to the energy used to heat the water to use our rinsed-off products, raw materials (9%), packaging (7%), upstream and downstream transportation and distribution – including the transportation of end-user consumers to our stores (9%), merchandising (6%) and the purchase of electricity (4%).

In FY2022, the Group's GHG Assessment breaks down to 1% of total emissions due to scope 1 and 2 and 99% to scope 3. Compared to our baseline, the weight of Scopes 1 and 2 has shrunk (from 5% to 1%) thanks to renewable energy transition and reduction actions.

GROUP GHG EMISSIONS FY2022 HOTSPOTS

- The use of sold products (42%), related to the energy required to heat the water to use our rinsed-off products.
- The goods and services purchased (27%), including among others raw materials (7%) and packaging (6%).
- The upstream and downstream transportation and distribution (22%) – taking into account the transportation of end-user consumers to our stores in addition to logistic flows.



Cutting emissions from our own operations (scope 1 & 2)

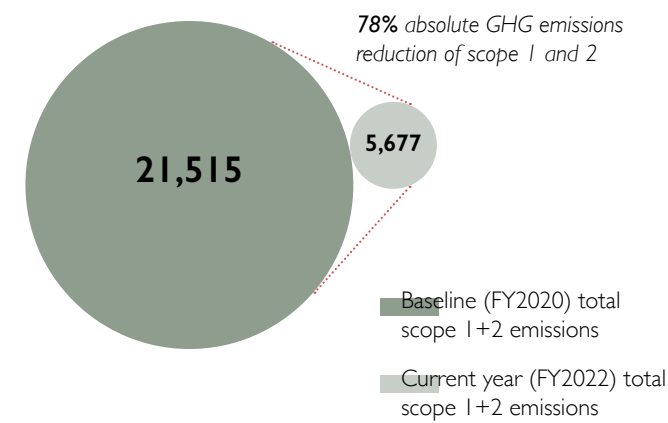
Main energy consumption and fuel in owned vehicles are the main contributors, accounting for 5% of the Group GHG footprint FY2020 baseline.

We have set reduction science-based targets by 2025 and 2030. From manufacturing to stores, we have monitored and worked to reduce our energy consumption and transition to renewable alternatives. Our actions allow the reduction of 74% of our absolute GHG emissions linked to our scope 1 and 2 in FY2022 versus our baseline FY2020.

SCOPE 1 TARGET: to reduce absolute scope 1 emissions by 46% by 2030 from the FY2020 baseline

As Scope 1 emissions are mainly due to the use of gas in our production sites, a gas transformation plan is underway, structured around 2 levers: the switch from natural gas to "green gas" (operated at the Manosque factory) and in parallel, an efficiency plan based on the implementation of production eco-processes, the optimisation of production series, pipe insulation and heat recovery. To address emissions linked to fuel consumption of our fleet of vehicles, in 2021, we included in the travel policy the consideration of environmental impact to reduce the use of business cars and encourage people to switch progressively from thermic cars to hybrid or electric cars. These initiatives contributed to reducing our scope 1 emissions by 2% between FY2020 and FY2022.

EVOLUTION OF SCOPE 1 AND 2 BETWEEN BASELINE YEAR FY2020 AND FY2022

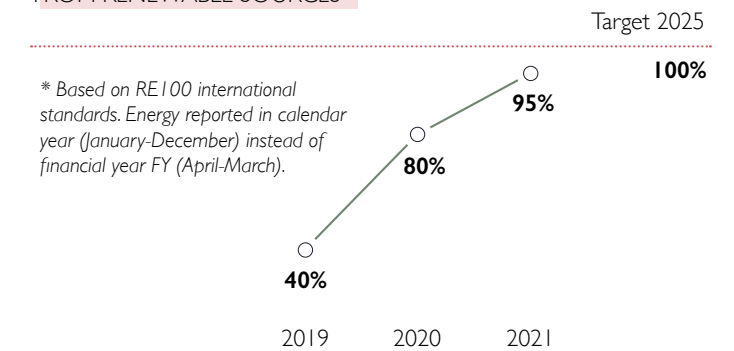


SCOPE 2 TARGET: to source 100% renewable electricity by 2025

In 2016 the Group joined the RE100 (Renewable Energy 100%) initiative, committing to achieving 100% renewable electricity by 2025 at all sites, including stores, offices, warehouses and factories. This commitment has been validated as a science-based target providing the scientific confirmation of its alignment with the objective to limit the increase in global temperature to 1.5°C.

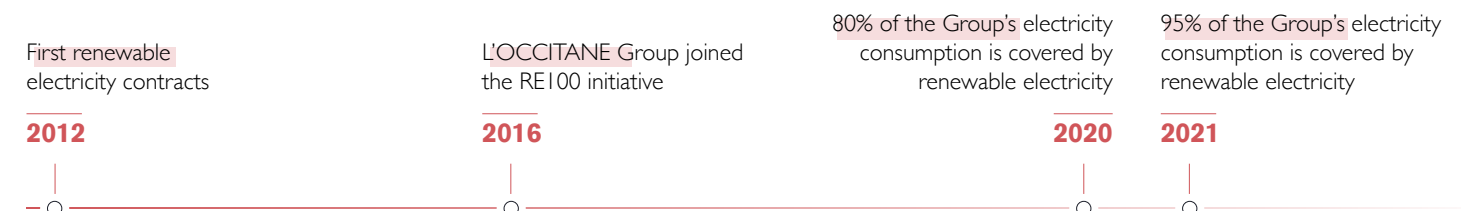
The Group is on track to achieve this target: in 2020, it had reached 80% of renewable electricity coverage. In the last calendar year (2021), the coverage increased considerably to 95%. This significant progress is the result of the transition towards renewable energies made by several countries, either through direct green electricity contracts, such as Spain, or through purchasing energy attribute certificates, for instance South Korea.

GROUP ELECTRICITY CONSUMPTION FROM RENEWABLE SOURCES



The Group has three different ways of procuring renewable electricity:

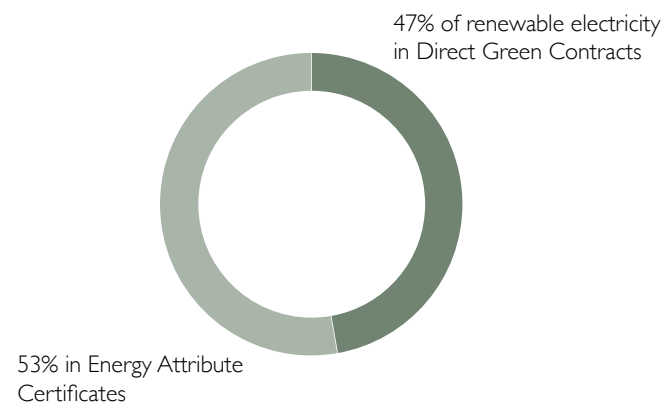
- **Direct green contracts:** this is the preferred option for facilities located in countries with green electricity providers and with control over their electricity procurement contracts. In 2021, 47% of the renewable electricity consumed by the Group was sourced this way.
- **Energy attribute certificates (EAC):** each EAC purchased represents proof that 1 MWh of renewable electricity has been produced and injected into the network. The Group buys EACs to cover its conventional electricity consumption in countries where the renewable electricity market is not yet mature enough— where there are none or very few direct green electricity providers. Those certificates account for 53% of the Group's renewable electricity coverage.
- **Self-generating electricity on site** (solar panels, etc.): by the end of 2022, we plan to install solar panels in the L'OCCITANE au Brésil factory in Sao Paulo, which are expected to cover 100% of the site's electricity consumption by 2023. In the Lagorce site, additional power capacity will be set up to obtain a 25% coverage through self-consumption by 2024.



Spanish retail has made great achievements in energy transition and reduction:

- All stores* have switched to renewable electricity with the same provider.
- All stores are now equipped with LED lighting.
- Overall retail electricity consumption has been reduced by 12% between 2020 and 2021.

** except for two stores in the Canary Islands for feasibility reasons (EACs have been purchased to cover their electricity consumption in renewable energy)*

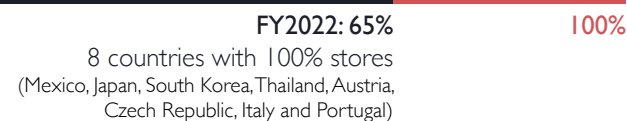


91% reduction of scope 2 GHG emissions since FY2020 baseline by accelerating the transition to renewable energies in 31 countries.

In addition to renewable energies, the Group has also defined targets to reduce energy consumption. This year, the retail networks of the main countries we operate in implemented an environmental management system and defined targets and actions to better track and reduce their electricity consumption, for instance by installing LED lighting system.

Stores with LED lighting system:

by 2025 100% stores with LED lighting



Cutting emissions in our value chain

Scope 3 emissions represent 95% of the Group's GHG footprint FY2020 baseline. Addressing ambitious targets on this scope is therefore particularly strategic to achieving the net zero emissions target by 2050.

In FY2022, the Group's scope 3 represents 99% of GHG emissions. The use of our sold products, raw materials, packaging and logistics are the main contributors. The Group economic carbon intensity on Scope 3 progressed by 1% from FY2020 baseline to FY2022. This progression is mainly linked to an improvement in the data collection processes on upstream and downstream transportation (responsible of a variation of + 11% on Scope 3 carbon intensity). Despite this progression of our Scope 3 economic intensity, a favorable trend can be highlighted on two of our main hotspots (respectively -3% and -8%): purchases (on packaging, raw materials and merchandising) and use phase.

The Group has been working on its environmental footprint for the last decade, developing an eco-design approach on packaging and formula (see more in the Products section) which play an important role in reducing the Group's GHG emissions.

In FY2022, we launched a Green Supply Chain global taskforce and several Green Retail local taskforce in several countries to move forward on our action plan.

SCOPE 3: to reduce scope 3 GHG emissions by 55% per unit of value-added from the FY2020 baseline

Reducing emissions from logistics:

The Group's Green Supply Chain policy aims to reduce the carbon footprint of logistics activities and suppliers. In order to implement this we have launched a global Green Supply Chain taskforce.

Cooperation with suppliers is key to implementing a Green Supply Chain strategy. Regarding logistics flows, this policy has been deployed on a global scale, for upstream, internal and downstream flows. All the central and regional Supply Chain teams have cooperated in designing their new three-year Green Supply Chain roadmaps, to reduce airfreight, maximise loading in vehicles and containers, switch to hybrid and electrical vehicles for last-mile deliveries.

L'OCCITANE Group is engaged in various coalitions with the view to maximise its positive impact by reducing the carbon footprint of its supply chain. The [#SupplyChain4Good initiative](#), gathering supply chain key players – carriers, forwarders and global brands in various industries – aims at launching innovative and collaborative projects with a “test and learn” approach. L'OCCITANE Group is leading one of these projects dedicated to e-commerce packaging. The Group has also joined the alliance *Association des chargeurs pour un transport maritime décarboné*, for sea freight decarbonisation through sailing transportation.



Reducing emission in our retail network:

L'OCCITANE Group retail networks are also involved in reducing scope 3 CO² emissions and offering eco-designed stores for consumers. In several key regions, such as North America and Asia-Pacific, there is a local Green Retail taskforce to innovate and to seek for sustainable alternative solutions adapted to each context.

An illustrative example of reinventing the store concept is the [Bondi Green Store](#) in Australia that has been the first Green Store of L'OCCITANE en Provence launched in October 2021. This store has been built in collaboration with the Green Building Council of Australia (GBCA), 5-star rated and certified Green Store.

Concepts include a living green wall with a fully integrated irrigation system that acts as a natural air filter, as well as a Refill Fountain, where consumers can refill products in 100 percent recyclable aluminium 'Forever Bottles'. This store is a key milestone in our sustainability journey to reduce energy, participate in a circular economy, reduce waste and promote sustainable habits for consumers.

Another recognition for L'OCCITANE Korea has been two awards for their Hyundai Pop-Up “A Choice For the Planet”. The store was highly praised by the jury for its environmentally conscious designs, both when it received the MUSE Design Award in the Sustainable Living/Green category; and, the iF Design Award.



Mitigating GHG emissions beyond the value chain

L'OCCITANE Group aims to contribute to the world's carbon neutrality in all three scopes.

To favour transition to net zero, in 2021 L'OCCITANE Group started to invest in projects to prevent deforestation, protect and regenerate ecosystems and increase carbon sinks, with the aim of being carbon-balanced by investing the equivalent of its emissions into these projects by 2030 (100% of Scope 1, 2 and 3 emissions).

The projects are located in:

- Areas where L'OCCITANE Group has an impact (through raw material production or the distribution of products).
- Areas identified as [biodiversity hotspots](#) and/or identified as [deforestation and ecosystem degradation fronts](#).
- Areas that are particularly vulnerable to climate change (sources: [IPCC report](#), [Global Climate Risk Index](#)).

L'OCCITANE Group aims to support projects that provide benefits for biodiversity and communities and address one or more of the topics listed below:

- To prevent deforestation and ecosystem degradation (REDD+, cookstoves, etc.).
- Ecosystem regeneration (afforestation/reforestation, restoration of mangroves, etc.).
- To help the agricultural transition (regenerative agriculture, agroforestry, etc.).

L'OCCITANE Group will only rely on established standards for the recognition of the carbon units used to reach its emission levels:

- International standards: Verra, Gold Standard and Plan Vivo.
- Local standards: recognised by local government (*Label Bas Carbone* in France, for example).



L'OCCITANE Group has participated in the investment of €150 million for the third Livelihoods Carbon Fund, alongside 14 other investors, to scale up nature-based solutions. Profiting from a robust ten-year experience, Livelihoods is launching its third Livelihoods Carbon Fund (LCF3) to support rural communities in their efforts to preserve and restore natural ecosystems and improve their livelihood through sustainable farming practices. In a booming international carbon market, Livelihoods confirms its unique and singular position: linking people and the planet, businesses and NGOs, investments in nature-based solutions and social value creation.



REDUCING THE ENVIRONMENTAL IMPACT OF OUR PRODUCTION SITES

The Group's first responsibility as an industrial player is to make every effort to ensure that production facilities minimise their impact on the environment. In France, operational teams have been monitoring and optimising resources used for more than a decade. Today, we have two manufacturing sites in France and one in Brazil, and we have identified the following priorities for acceleration related to the impact of these production sites: to implement a **low-carbon transition strategy** in order to reach the objective of **Carbon neutrality** for French factories by 2025, and to contribute towards assessing the **Group water footprint** in order to define a global roadmap in the coming year.



A rigorous Environmental Management System of our production sites located in France, which are certified ISO14001 since 2012.

Our production sites moving towards carbon neutrality

Our main production sites and warehouse located in France have been working for a decade on reducing their environmental impact, by switching to 100% renewable electricity and recovering 100% of their waste since 2018.

Now, they are accelerating their transition to low carbon by committing to cut their emissions and invest on carbon sequestration projects to achieve carbon neutrality by 2025.



Water management

Water is a major resource for the Group, as it is a key ingredients in product formulas and a necessary material for manufacturing processes. In addition, it is directly linked to two of the five main factors defined as biodiversity erosion: pollution and the exploitation of natural resources.

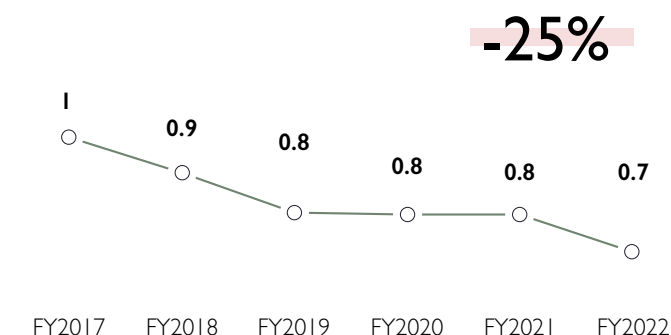
In full awareness of water as a key issue in its activity, the Group has already started to work on the optimisation of water management in the production process. In particular, this requires an optimal treatment of waste water, and a number of different projects to reduce consumption on our industrial sites are underway. Last year, our main production site in Manosque (France), implemented new practices such as the reorganisation of formula sequences in order to optimise the cleaning of our reactors and also a washing water recovery programme to re-use cleaning process water.

As part of the production sites' transformation to minimise environmental impact, in France we are aiming to transform our Lagorce production site to make it the first "**circular water factory**" of the Group by 2025, meaning that water will be recycled and reused for the production process, using a circular model.

The next key milestone for the Group's water strategy has been to start analysing the water footprint in its full value chain. By the end of 2022 the objective is to cover the Group's total scope and define how to go beyond on the circular water approach. The Group water footprint analysis will enable us to identify the key hotspots to focus on, in order to set targets and implement action plans.



WATER INTENSITY CONSUMPTION IN PRODUCTION PLANTS REDUCTION SINCE FY2017 (L/unit)



Reducing the energy consumption and switching to renewable energies

Improving energy efficiency

For more than ten years, production sites in France have been working to reduce the energy consumption by improving building design and insulation, optimising industrial processes and using energy-efficient technologies. Between FY2017 and FY2022 it was reduced by -18% (in kWh per unit produced), last year the intensity reduction has been of -9%. We can find one example of this at the production site in Lagorce (France) where a pipe insulation and heat recovery system has been set up: a process that enables the recovery of heat from waste water in order to preheat process water.

Our operational teams have decided to go one step further on energy management, and aim to be **certified ISO 50001 by 2023**, by going deeper into the analysis of energy usage that must be taken into account in future manufacturing strategies.

Transition to renewable energy

The transition to renewable electricity at our production sites in France started in 2012 and today we have 100% renewable energy.

ENERGY CONSUMPTION REDUCTION & TRANSITION

Energy intensity comparison last 5 years (kWh/ unit produced)

-18%

Renewable electricity

100%

Reducing and recovering waste

Generating less waste and recovering residual waste

In order to fulfil its waste reduction commitment, the Group is optimising its use of materials across its manufacturing operations. This approach is based on multiple Group-wide projects that seek to reduce waste related to transport packaging in plants and distribution centres, through eco-design, light weighting, and optimising, reusing and standardising materials.

Our production operational teams have been working to reduce waste generation by continuous improvement targets and monitoring while at the same time ensuring the best possible recovery of waste that cannot be avoided at source. Since 2020, it has recovered **100% of its industrial waste** by reusing, recycling or harnessing it to produce energy. And since 2018 there has been **Zero waste sent to landfill**.

RESPONSIBLE WASTE MANAGEMENT

Waste recycled or reused

71%

Waste sent to landfill in our production plants in France

ZERO
since 2018

Waste recovered

100%
of industrial waste recovered

Waste generation in plants and distribution centres FY2017-FY2022

-24%

REGENERATIVE PROJECTS NEAR OUR MANUFACTURING SITE

The Group has also decided to support forest regeneration projects in France that will store carbon near our manufacturing sites. Indeed, the Mediterranean area is particularly vulnerable to climate change and is also a biodiversity hotspot.

Two of these projects have received the French label *bas carbone* (low carbon project) created and monitored by the French Ministry of Ecological Transition and Solidarity. This label guarantees the quality of the projects and promotes projects that generate positive impacts on biodiversity, soil preservation, water preservation and local economy. L'OCCITANE Group has made a specific request to make sure that these projects help preserve and enhance biodiversity.



PRODUCT, INNOVATION AND ECO-SOCIO-DESIGN

Formula eco-design

Our expertise: we use the very best natural and organic ingredients and strive to always demonstrate the greatest respect for nature. This is combined with innovative extraction processes and traditional know-how which, together, enhance the natural benefits of the plants.

Through our skilled and dedicated R&D teams, developing products for both L'OCCITANE en Provence & Melvita and supporting per request other brands of the Group, we create sensorial, natural and sustainable cosmetic formulas, as well as innovative products, that exceed customer expectations and set new industry standards. These include **70 product patents** currently pending or delivered in France.

Day after day, our passionate and committed experts work to offer consumers increasingly natural formulas without compromising efficacy and sensoriality. We prioritise ingredients of natural origin such as essential oils, plant extracts or floral waters. For instance L'OCCITANE en Provence has published its "Formulation philosophy" which follows the principles of its [Formulation Charter](#) and [Clean Charter](#). The Formulation charter lists the ingredients that we have decided not to use — going beyond regulatory compliance — and those we use with moderation, always searching for natural and environmentally sustainable alternatives. In 2020, L'OCCITANE en Provence launched a Clean Charter setting out even more stringent requirements to guide the brand's innovations.

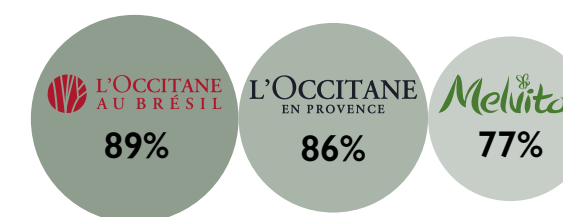


L'OCCITANE en Provence launched a Clean Charter establish that all new formulas meet at least one of the following criteria by 2030:

- Leave-on formulas: natural origin ingredients > or = 95%⁽¹⁾.
FY2022 progress: L'OCCITANE en Provence has reached 38.5%.
- Rinse-off formulas: readily Biodegradable ingredients > or = 95%⁽²⁾.
FY2022 progress: L'OCCITANE en Provence has reached 86%.



RINSE-OFF FORMULAS REACHING 95% OF BIODEGRADABILITY



¹ Formulas with "Natural origin" following the international norm ISO 16128.

² Formulas with at least 95% of ingredients easily biodegradable following OCDE 301.

L'OCCITANE en Provence sustainable formula approach

In 2021, L'OCCITANE en Provence has been working to redefine its **sustainable formula approach** to improve its environmental impact. Our ambition is that all formulas will follow 4 principles to ensure maximum product performance and minimum environmental impact: assess, reduce, avoid and clean.

ASSESS

identify and track our improvements in sustainable product development.

Following the LCA methodology (ISO 14040:2006) we are considering all the environmental impacts of the formulas.

Life Cycle Analysis (LCA) was performed on the top 20 product formulas.	Perform LCA on the top 50 product formulas.
FY2022	2024

Continued progress: the on-going LCA timeline will enable us to confirm our current focus and identify new areas to focus on. In FY2023, the integration of the environmental impact identified will lead to a new version of the Clean Charter.

AVOID

ingredients that can harm the biodiversity.

91% biodegradability rinse-off formulas	No palm oil in Soap products by 2023	95% biodegradability for all rinse-off formulas
FY2022	2023	2030

REDUCE

the environmental impact of our formulas.

The carbon impact of the raw materials that compose our products represented 9% of the Group's carbon footprint in FY2020, which is the company's baseline.

The purchases of raw material included in our formulas represented 7% of Group carbon footprint.	Reduce carbon intensity emissions by 20%
FY2022	2025

Continued progress: in every step of product development, we follow the eco-process principle: to maximize efficiency by reducing resource usage during the production of the formula. For instance by eliminating the silicon.

CLEAN

we ensure that all our ingredients have a limited impact and follow the Clean Charter.

40% of formulas have at least 95% ingredients of natural origin	80% of formulas with at least 95% ingredients of natural origin
FY2022	2030

ULTRA RICH SHEA BODY CREAM REFORMULATION



ELEMIS working on the key hero ingredient Pro-Collagen

Harnessing Bio-Technology with Padina Pavonica. For over 20 years, ELEMIS has cultivated *Padina Pavonica* in the Mediterranean Sea, one of the key hero ingredients of our **ELEMIS Pro-Collagen range**. Having achieved a greater understanding of this algae over time, we challenged our scientist to see whether we could unlock even more of the amazing properties of *Padina Pavonica*. After years of research, we championed a new biotechnology and fermentation process in our labs, producing a *Padina Pavonica* ferment which was created for our **NEW Pro-Collagen Morning Matrix**. Natural ingredients produced in this way help to:

- Limit the negative impact on the environment.
- Use fewer resources (such as water and energy).
- Reduce transportation and CO² output.
- Provide consistent active ingredients with standardised activity.
- Limit the influence of location, harvest, seasons or political issues on the supply chain.

Padina Pavonica Ferment can increase the sensation of skin density, to help skin look and feel firmer. It also offers an exceptional antioxidant activity that can help support our skin in the face of increasing environmental challenges.



Packaging eco-design

The Group is working on more sustainable packaging by using different materials and reducing its weight, especially when it contains plastics, as it is a major source of pollution for terrestrial and marine ecosystems.

L'OCCITANE Group works daily to improve the environmental impact of its products. We run Life Cycle Analysis for our most iconic products and our factories in France are certified ISO 14001, which is the recognised international standard for Environmental Management Systems (EMS) that includes Product Life Cycle. All our products undergo an eco-design development phase.

In 2019, L'OCCITANE en Provence joined the "[New Plastics Economy Global Commitment](#)" launched by the Ellen MacArthur Foundation, after signing a global agreement aimed at reducing plastic pollution and promoting a circular economy for plastics.

Last year, in the "[New Plastics Economy Global Commitment Progress 2021 Report](#)", Ellen MacArthur Foundation highlighted L'OCCITANE en Provence's actions and initiatives in several key categories. In the 2021 report, the brand has shown progress and ambitious targets, such as 33% virgin and 10% total reduction compared to 2018.

At present, we have signed this commitment at Group level, making all our brands part of the global public report that is performed annually. The [New Plastics Economy Global Commitment](#) for 2025 includes:

Group global actions and commitments:

- **100% of packaging will be recyclable, reusable or compostable.** As today, 1 out of 2 products are recyclable *verified by an external partner*.
- **Eliminating problematic or unnecessary plastic packaging.** Efforts in every step of the value chain, from our Christmas campaign using only cardboard to local delivery services filling the boxes paper instead of plastic.
- **Moving from single-use to models of reuse.** Launching refillable fountains in all regions, next year we will reach 100 fountains around the world.





Packaging eco-design progress per brand

L'OCCITANE EN PROVENCE

Key initiatives:

The **eco-refills** for our products contribute to save between 78% and 97% of packaging material compared to the standard product.

The target of offering 25 eco-refills for L'OCCITANE en Provence has been achieved in 2021, increasing by 25% since 2019.

In FY2022, through eco-refills the brand has contributed to save 292 tonnes of packaging.

The **Almond Shower Scrub** is the holy grail in terms of responsible packaging today. The tube and cap are 100% designed for recyclability: both are in polyethylene (PE) for higher-quality recycling, 93% made from recycled plastic, and confirmed as recycling-ready by recycler associations in both Europe and the US. This packaging is in effect closing the loop, and that's quite a breakthrough!

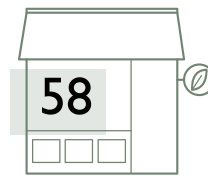
The tubes produced strictly follow ISCC Plus guidelines with a mass balance approach in order to satisfy our two clients: customers and nature.

The **Ultra Rich Shea Body Cream refill solution** allows us to significantly reduce our dependence on plastic. Compared to the old product, more than 40 tonnes are saved annually. It also meets our ambition to maximise our use of post-consumer recycled plastic.

Zero cellophane wrapping in retail products by the end of 2022. In 2019, 45% of our products were FSC-labelled and had compostable cello-wrapping. During the past year, we have reduced -53% of cellophane wrapping weight.

L'OCCITANE en Provence launched in 2019 its in-store Refill Fountains to reduce plastic waste. L'OCCITANE is installing the Refill Fountain in its boutiques across Europe, the USA, Canada and Asia, thus expanding the brand's commitment to combining simplicity and innovation in creating products and programmes respectful of people and nature.

REFILL FOUNTAINS IN STORES:
AS FY2022 WE HAVE
58 REFILL FOUNTAINS.
IN FY2023 WE PLAN TO GO
ABOVE 100 REFILL FOUNTAINS.



PACKAGING ECO-DESIGN TARGETS 2025

FY2021 FY2022 TARGET 2025

100% recycled plastic retail bottles



100% plastic recyclable or reusable packaging



40% recycled materials for plastic packaging



75% of our aluminium packaging with 100% of PCR aluminium



MELVITA

Key initiative: Launch in 2021 the first one litre New Essentials Shower Gel Melvita Eco-Refill.



PACKAGING ECO-DESIGN TARGETS 2025

FY2021 FY2022 TARGET 2025

100% Folding carton is FSC



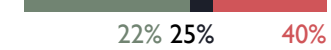
100% recycled plastic bottles



Use of recycled glass in bottles and jars



40% recycled materials in plastic packaging



ELEMIS

Key initiatives:

100% recyclable glass Pro-collagen Morning Matrix launch

In March, we launched our latest anti-ageing breakthrough skincare product, Pro-Collagen Morning Matrix in a 100% recyclable glass jar with an aluminium lid. By choosing to use a glass jar instead of a plastic one, we are avoiding using over 1 tonne of plastic with every 10,000 units we sell of the 50ml size (and over 0.7 tonnes with every 10,000 units of the 30ml). Pro-Collagen Morning Matrix is the starting point of our improvements in packaging sustainability for our portfolio of anti-ageing products.

1st r-PET bottles* for Mayfair No.9 Hand and Body

September 2022, ELEMIS is launching its first 96% recycled and 100% recyclable r-PET bottles* for Mayfair No.9 Hand and Body Wash & Lotion.

(*Excludes bottle pumps.)

Cartons 100% recyclable in all markets

ELEMIS has committed to switching its retail cartons from Metpol board to Transmet board, to ensure 100% recyclability in all markets. Based on FY2022 sales, this is allowing for over 117 tonnes of paper to be recycled and diverted from landfill or incineration.



100% recyclable cartons



ERBORIAN

Key initiative: SKIN Hero Peeling Au GINSENG

erborian 100% recyclable product thanks to using a full PP monomaterial pump



L'OCCITANE GROUP OFFERS **2,976 COLLECTION POINTS** TO ITS CONSUMERS

MORE THAN **3 MILLION UNITS** HAVE BEEN COLLECTED IN STORES SINCE WE BEGAN AND MORE THAN **1 MILLION WERE COLLECTED ONLY IN 2021**

BY 2025, 100% OF COMPANY-OWNED STORES OFFERING RECYCLING PROGRAMMES



Engaging with our consumers to tackle plastic pollution

It is also important for us to sensitise our consumers about recycling and get them involved in this matter. L'OCCITANE Group therefore commits to developing recycling programmes across all brands while adapting to distribution networks and customers' models of consumption, to ensure that the post-consumer products are recycled. We are doing so by offering collection points for post-consumer packaging. Today, thanks to LimeLife collection points and the Group's owned and non-owned stores being equipped with a recycling service, L'OCCITANE Group offers **2,976 empties collection points** to its consumers.

The in-store recycling programmes aim at encouraging customers to return used packaging to the stores or take them to collection points so they can be recycled. As of today, 73% of company-owned stores have recycling programmes, increasing 28% during the last year, and the target is to reach 87% by the end of 2023.

Furthermore, to help reduce the amount of waste worldwide, 40% of our in-store recycling programmes also accept other brands' packaging. Overall, more than three million units were collected through our multiple recycling partners since the initiative was launched.

In 2021, seven new European markets of distribution have joined the strategic partnership formed in 2014 between L'OCCITANE en Provence and TerraCycle®: Belgium, Germany, Netherlands, Norway, Spain, Sweden and Switzerland. Furthermore, China, with the largest store network in APAC – over 230 stores—, reached 100% coverage of the in-store recycling programme for company-owned stores in January 2022, through their partnership with TerraCycle®.

In countries where TerraCycle® is not present, we have managed to find other recycling partners. This year, Austria has found a local partner to start the programme and so have India, Taiwan and Mexico.

"BIG LITTLE THINGS" PROGRAMMES IN ASIA

In Malaysia, L'OCCITANE en Provence has continued the "Big Little Things" programme through a local partnership with iCycle, collecting more than one million pieces of empty beauty packaging since it started. This programme is also present in four stores across Singapore island with their local recycling partner SembWaste.

In FY2022, India has also launched the same programme. In India, the "Big Little Things" programme is the first recycling programme of the country that accepts PET packaging from other beauty brands in order to achieve a more circular economy. To do so, they have partnered with Saahas Zero Waste, which is a local NGO engaged in environmental and social action. In addition to recycling and upcycling empty beauty packaging, they employ people from lower socio-economic groups and promote gender equality. To launch the programme, they partnered with 22 well-known influencers and thus reached 310,904 people across the country. With Big Little Things India, customers get exciting rewards in exchange for recycling their products, which motivate and incentivise them to recycle.

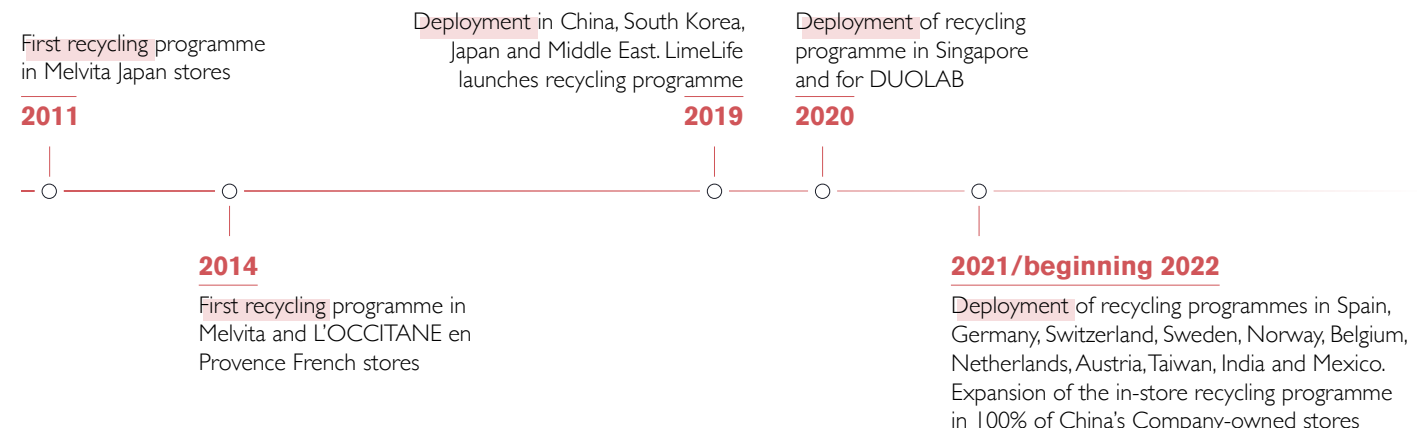
Aiming to achieve the goal of 100% of its company-owned stores having in-store customer recycling programmes by 2025.

Melvita is also running a recycling programme in their stores in Japan with a local partner since 2013. Thanks to this initiative customers can take their empty packaging from any beauty brand to be evaluated and gain loyalty points in exchange. Since it has been launched 33 tonnes have been collected.

In addition, DUOLAB's ambition is to be a fully sustainable "closed loop" brand when it comes to recycling its post-consumer waste. The cardboard sleeves containing all DUOLAB capsules are sourced from sustainably managed forests and recyclable in the usual paper recycling bin. To ensure each one of single-use capsules gets recycled, Duolab have also partnered with TerraCycle®. This scheme allows customers to post back their used capsules and pouches, using dedicated prepaid envelopes provided with the purchase, to be fully recycled and ensuring they never have to enter landfill. Since the launch of UK DUOLAB, 62% of the capsules sold have been collected for recycling through TerraCycle®, and the aim is to reach 100%.

Engaging with consumers through marketing campaigns

Raising awareness and encouraging our consumers to engage in our waste reduction commitment is key to tackling the challenge of plastic pollution. Therefore, we regularly promote our products with added social and/or environmental value through marketing campaigns. For example, we have publicised our solid beauty products, our eco-refills and our refill fountains to promote a zero-waste bathroom and thus reduce end-of-life waste.



III. OUR GROUP SUSTAINABILITY PRIORITIES

FOR COMMUNITIES

Empowering our employees
Supply chain responsible management
L'OCCITANE Group Philanthropy



EMPOWERING OUR EMPLOYEES

To maximise our positive impact on society and the environment, we have decided to focus on three sustainability priorities, one of which is “empower all people in our communities, focusing on promoting diversity and inclusion in our society.”

How do we do it?

- By fostering well-being in the workplace.
- By cultivating diversity, equity and inclusion.
- By developing and training our teams.
- By nurturing a positive safety culture.

GROUP EMPLOYEES KEY FIGURES

9,042
staff (FTE)

87%
female workforce

50%
women in
key management positions

8,000
employees worldwide using
the Learning digital platform

63%
participation rate
DE&I global survey

ALL
countries roll-out
Parental leave

As a common policy, in FY2022 in Asia and Europe, we have launched an **employee assistance programme** to provide all employees with professional help when facing life issues (related to health, finance etc.).

Moreover, we have developed a job evaluation methodology that allows us to examine each position based on a set of objective criteria including gender and other categories in the analysis. This enables us to build a company-wide framework, providing fair pay and benefits to all employees. Most countries have deployed this evaluation, and it will be adopted by the remaining ones in the coming year.

**IN JULY 2022, THE GROUP WILL DEPLOY
GREAT PLACE TO WORK GLOBALLY
WITH THE GOAL OF ACHIEVING A
70% TRUST INDEX SCORE AVERAGE**

Great Place to Work global ambition

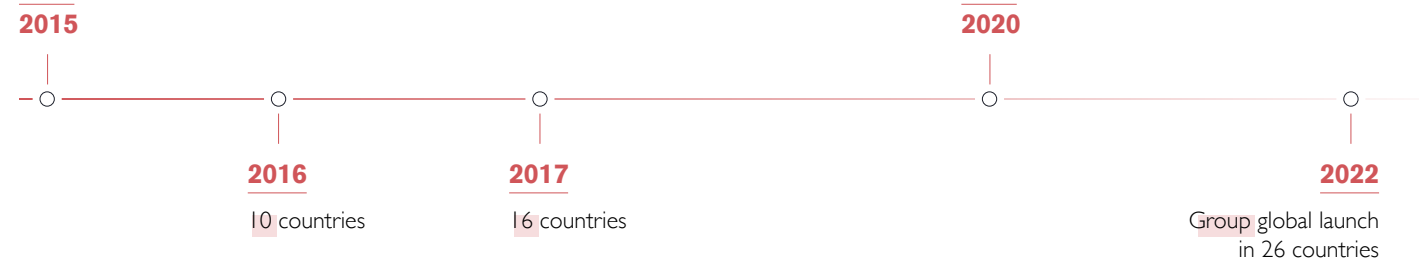
In an effort to ensure continuous improvement, L'OCCITANE Group engaged in the [Great Place To Work](#) initiative in 2015, in order to promote and evaluate the quality of life at work in the company. This survey is deployed bi-annually, seeking to increase the number of countries participating in each edition, in order to enlarge the representation of the Group Trust Index™ which covers 5 dimensions: credibility, respect, fairness, camaraderie and pride. This is used to assess employees' levels of trust in the company and provides a database for the future analysis and development of corporate culture.

The latest survey, delivered in 2020, covered ten countries across the Group with a very high participation rate, more than 3 out of 4 employees, and **performance of 67% Trust Index score**. In 2020, **most of the countries were eligible for certification⁽¹⁾ and almost half of them achieved the “Best Place to Work” rating**, which is granted to the best-certified businesses in their respective market⁽²⁾. These improvements are the result of the efforts made over recent years regarding the four pillars of the “Trust and Empower People” programme.

Fostering well-being in the workplace

As an international Group, L'OCCITANE seeks to foster well-being at work for all and strives to create a healthy and inspiring workplace. The well-being of our employees is a priority for the Group and in FY2022 we have reinforced our policies and programmes worldwide launching new local initiatives in most countries.

Launch 1st survey – 4 countries
(France, Australia, Japan and US)



¹ Subsidiaries in France, Ireland, US, Canada, Brazil, UK and Malaysia are eligible for certification as they achieved a Trust Index score of 66% or more (employee satisfaction survey), and a rating of 30/60 at the Culture Audit evaluation (delivered by Great Place to Work).
² The Ireland, USA, UK and Malaysia subsidiaries are “Best Place to Work” as of 2019.



ELEMIS well-being and fair pay commitment to its employees

In 2021, ELEMIS took key steps forward in prioritising and investing in the well-being of its employees. A key milestone has been to implement a real living wage in the UK for all employees, for which ELEMIS has been formally accredited by the Living Wage Foundation. Also, ELEMIS has approved a programme for employees of paid time off for voluntary work whilst also upgrading the employee assistance programme to give individuals and families more support.

ELEMIS



PAYS A REAL LIVING WAGE IN THE UK FOR ALL EMPLOYEES

- In addition, ELEMIS has launched a holistic programme for their employees called **BLOOM**, which stands for Belonging, Learning, Openness, Offering support and Mental health awareness. This well-being programme is designed to educate, empower and support ELEMIS employees in achieving and maintaining good mental, emotional and physical health. The BLOOM programme involves a year of well-being seminars, including “Guided Nutrition” to help optimise health, and “Finding Balance & Creating Boundaries and Stretch” to nurture the body.
- ELEMIS has also launched “SWIC” committees in the UK and the US. These Social and Well-being teams help organise regular events related to the BLOOM programme, so employees can enjoy themselves or contribute towards charitable causes.

Cultivating diversity, equity and inclusion

L'OCCITANE Group's spirit embodies a vibrant, multi-local culture around the world. Building a more diverse and inclusive organisational culture is one of the ways we cultivate change.

We aim to empower ALL PEOPLE in our communities, focusing on promoting diversity, inclusion and female leadership, thus promoting well-being in the workplace.

This involves building an inclusive workplace that makes our people feel respected and valued for who they are as individuals. It also means creating a work environment where everyone feels empowered to take initiative, and that fosters innovation to reveal our customers' natural and radiant beauty. It also includes recognising that equity is critical to create sustainable change for our business and for society. It means supporting a culture that focuses on all abilities, inclusive of all communities.

Hiring and recruitment is a key area to build a more inclusive work environment. One of our first steps has been to display our DE&I commitments in all our job descriptions.

87% of L'OCCITANE Group employees are women, working around the world in our headquarters, production sites, stores and institutes. The Group is committed to supporting their leadership and empowerment through Group-wide initiatives, as well as contributing to charities at brand level.

In October 2021, the former Group Managing Director Yves Blouin signed the CEO Pledge from “LEAD Network Europe”, joining companies such as Danone and Unilever in the commitment to accelerate gender equality and drive inclusion in our industry. This commitment represents an important step towards achieving the Group's diversity, equity and inclusion goals.

Groupe L'OCCITANE



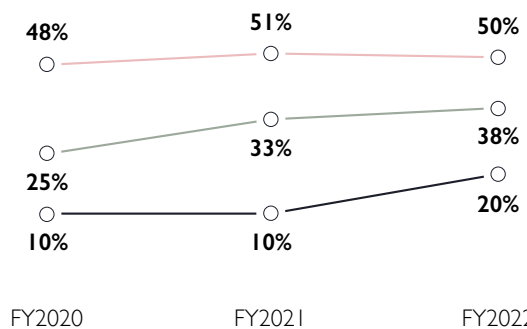
L'OCCITANE GROUP COMMITS TO ACCELERATING DIVERSITY, EQUITY AND INCLUSION AT THE WORKPLACE

The Group also aims to improve women's representation in key management positions. The Group is gradually moving forward in this direction, since last year we have maintained parity in key management positions. This proportion is higher than the average of the 32 businesses that took part in the Gender Diversity Scorecard Survey organised by LEAD Network, with 35%. Three of the Group's brands (Erborian, Sol de Janeiro and LimeLife) have been founded and are led by women, while ELEMIS was founded by three women and a man and continues to be led by the co-founding team.

Our focus now is to keep improving female representation on the Group's Board and Executive Committee as well, where we have continued to progress by reaching respectively 20% and almost 40%.

WOMEN REPRESENTATION IN LEADERSHIP POSITIONS

- Women in key management positions (N-1 Executive committee)
- Women on Executive committee
- Women on Board of directors



Group L'OCCITANE inclusive global parental leave policy

In 2020, to improve the promotion of diversity and to support female leadership, the Group decided to take a strong stance on the key issue of parenting. L'OCCITANE Group became the first international cosmetic group to put in place a parental leave policy on such a broad international scale. This policy will apply to L'OCCITANE employees worldwide, including offices, factories and company-owned retail stores. It offers:

- A minimum of 20 weeks fully paid leave for primary caregivers.
- A minimum of 12 weeks fully paid leave for secondary caregivers.

THE INCLUSIVE GLOBAL PARENTAL LEAVE POLICY FULLY IMPLEMENTED ACROSS THE GROUP ENTITIES IN FY2022



This policy was launched at the headquarters in Geneva (Switzerland) and in France, followed in FY2021 by five more countries, until it was fully implemented across the Group entities in FY2022³, covering families who welcome a child by birth, adoption or surrogacy. This policy was designed to respond to a variety of concerns:

- **Supporting gender equality** by allowing both men and women to benefit from a more generous parental leave than that provided by local legislation in many countries.
- **Promoting diversity and inclusion** for LGBTQ+ people by ensuring all families are eligible.
- **Improving employee well-being** by promoting work-life balance.

Through this ambitious policy, the Group hopes to contribute to the evolution of practices in our societies and give secondary caregivers the place they deserve.

In Brazil, for instance, this policy took effect in January 2022 and applies to all employees. By law, secondary carers can take five days off work, but L'OCCITANE Brazil offers them the option of taking an additional 85 days.

³ Except partly in North America

Global campaign on Diversity, Equity and Inclusion launched worldwide

In January 2022, L'OCCITANE Group also launched the **IN'PROVE initiative**, a global campaign on Diversity, Equity and Inclusion.



DE&I is a long journey which is why we believe it is essential to take action at a steady pace. We have decided to build the DE&I Community with one ambassador in each country, and then include all our employees, explaining to them what DE&I means, why it is important to take action and how they can act in favour of a more inclusive and fairer workplace.

We are committed to collectively building a Group DE&I roadmap to support a culture that focuses on all abilities and is inclusive of all communities: a culture that empowers all our team members to actively support diversity and inclusion. More specifically, we want to:

- Hire, support and promote people with diverse experiences in every managerial position. Because inclusive hiring and recruitment is a key step towards a more inclusive work environment, one of our first steps in 2021 was to display our DE&I commitments in all our job descriptions.
- Make sure that all employees feel valued and respected.
- Collaborate globally and engage different groups of employees in vertical decision-making.

In March 2021, we launched a global DE&I survey in 35 countries and more than 20 languages. This survey is key, as it will enable us to:

- Give employees the opportunity to voice their opinions and contribute to the building of our company's DE&I roadmap.
- Consult our employees on what they want the company to prioritise in terms of DE&I, both locally and globally.
- Gather our employees' perceptions of the current state of DE&I within the company.
- Create a database from which to assess, measure and review results and to ensure future progress.

We achieved an impressive participation rate: more than **6,600 employees** answered the survey, representing **63%** of our workers. The results have been analysed and presented to all our employees. The next step is to organise focus groups with our employees in order to co-build the DE&I roadmap both locally and globally.

DE&I GLOBAL SURVEY ACHIEVED A VERY HIGH PARTICIPATION RATE OF +63% EMPLOYEES

In the meantime, we are already promoting DE&I awareness and training for all our employees worldwide, through a series of 13 off-the-shelf modules available on “My True Story” e-platform worldwide. We are also planning to launch a specific module about unconscious biases to raise awareness of this crucial matter.

Developing and training our teams

L'OCCITANE Group creates the conditions for employee engagement and high performance through daily development activities. Our wish is to provide each employee with motivating and sustainable professional development opportunities.

Our objectives:

- To offer a professional and attractive integration experience.
- To support people's diverse talents so they can reach their full potential.
- To prepare for the future by developing a digital culture and implementing new ways of working.
- To promote employees' and managers' professional growth through daily learning.

**IN THE MAJORITY OF ITS ENTITIES*
67% OF THE EMPLOYEES OF L'OCCITANE
GROUP HAVE BEEN TRAINED DURING FY2022**

* Sample covering ten entities representing 60% of employees of the Group

Programme "Trust and Empower people"

The core training programme "Trust and Empower People" was launched in 2018 and is based on four key principles:

• Building a culture: developing leadership and management practices based on trust and feedback

In order to build collaboration and trust, we must be able to challenge each other, be transparent and name the problems we face. In other words, we need to live and breathe a culture of authentic feedback. This is why we are currently deploying a global one-day training course on the Culture of Feedback that has already been launched in all regions: The Americas (Mexico), Europe (France, Switzerland, Germany), Asia-Pacific (China, Korea) and Japan.

In FY2022, we also implemented a new mixed Management Programme called "The Quest", for middle and senior office and retail managers. It focuses on getting to know one's team and promoting transparency and trust through managerial practices. This training course is currently being implemented in France, Switzerland, Germany, UK, Japan, Hong Kong, Taiwan, Russia, the US and Brazil.

Moreover, to promote a "one-team" mindset and focus on building trust-based leadership, the Group launched its leadership programme "Time to Lead" for all the top managers of the organisation. By February 2022, 100% of L'OCCITANE's leaders had already participated in the "Time to Lead" Programme.

• Developing digital skills: promoting digital tools across the company to support retail staff in their customer interactions.

The Group is building up its efforts in terms of staff training with the "My True Story" training platform. In order to increase our teams' digital integration, we have been working to empower content creator teams around the world, enabling them to develop local training courses that better adapt to their needs and context.

In FY2022, "My True Story" usage rate has increased and currently covers 80% of our subsidiaries, including staff from manufacturing sites and stores. Over 8,000 employees from L'OCCITANE en Provence around the world use "My True Story", our e-learning platform. In the autumn of 2020, we also launched "Truth in Beauty", an LMS platform for ELEMIS teams.

**DIGITAL PLATFORM USAGE FY2022
8,000 EMPLOYEES WORLDWIDE
IN L'OCCITANE EN PROVENCE AND ELEMIS**

• Being employee-centric: managing talent and improving employee experience.

Since 2020, the Group has implemented the "Horizon" programme, a new personal development programme for individuals with high potential. The programme targets 180 employees around the world, intending to promote better self-knowledge and help them develop their potential through international mobility, participation in leadership programmes and coaching. Its purpose is to align these individuals' career plans with the Group's objectives.

In FY2022, the new global onboarding training course was launched in 9 languages on "My True Story". The aim is to give newcomers an overview of all our brands and businesses, including our sustainability priorities and commitments.

In FY2022 we also redesigned our onboarding programme for retail workers at L'OCCITANE en Provence. The aim is to adapt to the transformations that retail staff have been facing due to the pandemic, including the shift towards the new Omni channel for customer service. This will enable them to communicate our commitments more effectively to customers.

Promoting an agile organisation and a lean culture

Since 2019, the Group has aimed to transform its working methods and become more agile. Taking inspiration from the tech sector, our teams have begun to work in squads: cross-disciplinary groups that work autonomously on long-term projects. Along with our home-office policy developed in 2019, this has contributed to creating a major cultural shift in our Group, from its traditional way of functioning to a more agile model. Agile organisation was first deployed in central teams of L'OCCITANE en Provence, and then in subsidiaries. Today, over **500 office staff members and 64 teams** have made this transition, including teams such as IT, e-commerce, Human Resources, product development, communication, Sustainable Development, R&D or local markets. All these teams have experienced an increase in efficiency and well-being at work.

Nurturing a positive safety culture

Our company is committed to protecting and ensuring the well-being of our employees. In FY2022, the main initiative has been to create a common framework for the Group's Health and Safety programme the aim of which is to explain to operational teams how to implement, review and continuously improve employees' safety at the workplace.

Likewise, at our production sites, Health and Safety issues are integrated into our overall management planning process, involving workers in safety planning, resource allocation, monitoring, and audits.

We have a [Health and Safety policy](#) in place to minimise on-the-job employee accidents and injuries, as well as a programme established to prevent ergonomic injuries in the workspace. Since 2016, this process had been carried out by the safety management system standards OHSAS 18001. More recently, since 2021, we have shifted towards ISO 45001 after taking a more holistic approach to safety management and business environments, audited annually by a third party.

In addition, we have an employee safety recognition programme to reward Health and Safety performance in production sites, and we offer incentives for them to complete health risk assessments once a year.

Moving one step forward on our Health and Safety commitment, in FY2022 the production sites carried out an assessment that included indicator analysis and employee surveys. This enabled us to build the next five-year programme to reinforce management and employee perception of security. The new programme, launched in FY2022, is called "Safety Culture" and its design has been supported by external consultants. It focuses on managers' empowerment and safety training for all participants, with the aim of improving daily risk detection and safe behaviour.

“ It is incredibly important to us to create a respectful and safe working environment, empowering each and every one of our employees to find fulfilment by fostering their well-being, personal development and sense of community. ”

FLORIAN CROCE

Manufacturing and operational excellence general manager

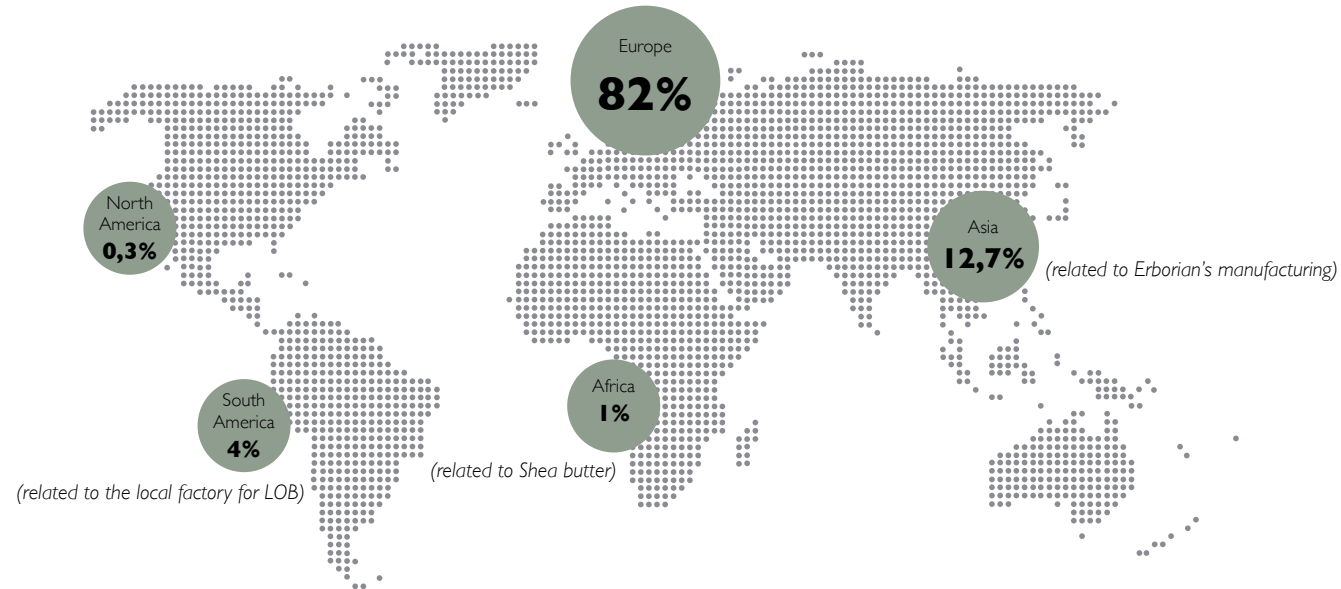


SUPPLY CHAIN RESPONSIBLE MANAGEMENT

L'OCCITANE Group has historically developed a partnership-based approach with all its suppliers and producers. We support their economic development and promote family farming to preserve territories and traditional know-how. For more than ten years, we have favoured suppliers with practices that respect people and the planet, and have engaged them in our environmental and social standards.

DIRECT SUPPLIERS – FY2022 FIGURES

* (Group without ELEMIS & Limelife)



First producer partnerships established by L'OCCITANE en Provence

Creation of the Sustainable Sourcing department managing iconic ingredient supply and producer relations

2008

Creation of Group Responsible Procurement transversal role

Launch of Group Sustainable Procurement program #NotJustSuppliers

2018

2019

Group joins the Global Shea Alliance for 3 years Membership of the Responsible Beauty Initiative

Group Sustainable Procurement programme is recognised by EcoVadis with 2 awards

2020

2021

Launch of the Partners By Nature program

Supply Chain Due Diligence: managing risk in the supply chain and supporting our suppliers in improving their sustainability performance

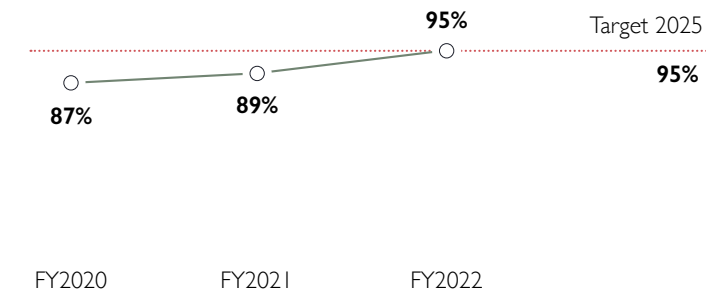
Since 2019, L'OCCITANE Group has had an ambitious programme named #NotJustSuppliers, with the aim of managing CSR risks within its supply chain and its suppliers' sustainability performance on a large scale. As part of this programme, the Group undertook a comprehensive mapping of global CSR risks among its range of suppliers, involving more than **1,600 suppliers** – 100% of the Group's expenditure – across all categories of purchase, which enabled us to identify at-risk and strategic suppliers. Following this mapping of CSR risks across all direct and indirect Group purchases, we worked with our purchasing teams worldwide to evaluate the CSR performance of more than **400 suppliers** – accounting for more than half of the global Group spend.

To consider the progress of the entire supply chain we have divided it into direct and indirect purchases:

- **Direct purchases:** which covers all spending linked to production processes such as raw materials, packaging and all manufacturing expenditure of our production sites in France and Brazil. In 2021, we reached a **95% coverage** of sustainability performance assessment in our supplier panel (expenditure-based). For the second year, no suppliers was identified as high-risk which means a performance lower than 25 score (based on EcoVadis assessment).

DIRECT PURCHASE

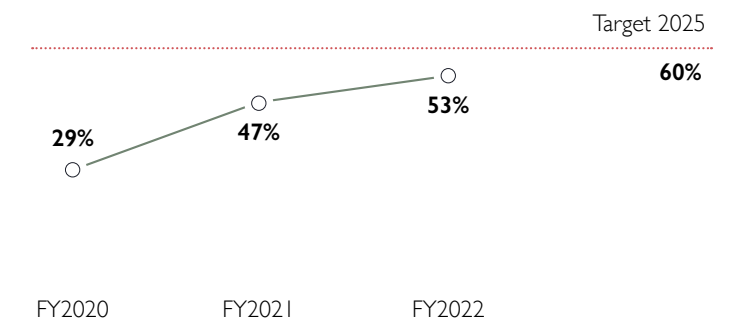
Not Just Suppliers programme coverage



- **Indirect purchases** cover all spend categories not linked to the production process, and its scope has extended greatly since we launched the #NotJustSuppliers programme. In 2020, with the integration of ELEMIS and LimeLife, and in 2021, with the aim of obtaining B Corp certification, the programme scope has been enlarged to include more categories of purchase and accelerating deployment in most countries. Thanks to the engagement of all local teams the indirect purchasing coverage of the #NotJustSuppliers programme has achieved half of the total spend (53%). As a result, we have identified 15 new suppliers as "High risk", which means a score on EcoVadis below 25, for whom we are providing support to implement an improvement action plan.

INDIRECT PURCHASE

Not Just Suppliers programme coverage

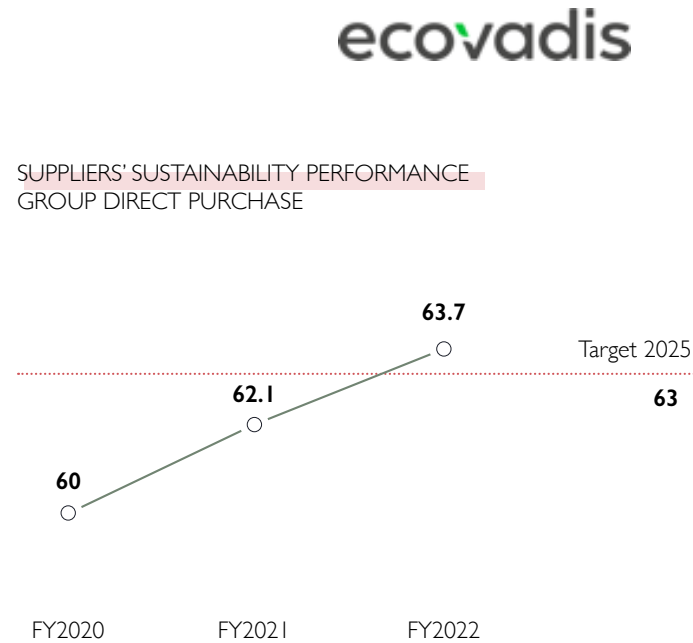


As the Group is committed to supporting its suppliers on improving their sustainability performance based on their EcoVadis rating, the goal by 2025 is to reach an **average of 63 for its direct purchases EcoVadis rating**. Our purchasing teams are trained and guided with objectives to encourage eligible suppliers to engage with the EcoVadis platform and help them to implement improvement plans. Thanks to the collaboration between our teams and our suppliers on this programme, this year we have achieved +63 score, reaching our target by 2025 as 2022, moreover 70% of suppliers have increased their scores since the programme was launched in 2019.

As of April 2022, the average rating is 63.7 on direct suppliers and 56 on indirect suppliers, above the general average of EcoVadis ratings for cosmetic sector suppliers.

In FY2022, we launched a new Responsible Procurement Policy that has been disseminated through our procurement teams to prioritise the social and environmental impact of our suppliers. The policy covers #NotJustSuppliers programme principles, and also introduces a new selection process for suppliers which integrates sustainability criteria with a higher weight than previous processes. Taking one step further on our commitment to ensure a responsible supply chain, this new tool will enable the company to select strategic suppliers and review annual performance based on sustainability criteria. This includes the supplier's EcoVadis rating as well as specific sub-criteria that depends on their purchasing category.

In order to ensure its implementation and incentivise our procurement teams worldwide, we have included in the roles, responsibilities and individual performance, a sustainability target linked to the principles of the Responsible Procurement Policy. In addition, there has been a global training campaign on responsible procurement, reaching all countries and involving transversal teams.



Moving forward with industry partners

The EcoVadis Sustainable Procurement Leadership Awards celebrate excellence and recognise the outstanding performance of companies in their relationship with trading partners around the globe. Nominees were evaluated on strategy and approach, procurement integration, scale and coverage, and programme results.



RESPONSIBLE BEAUTY INITIATIVE

Since April 2020, the Group has joined the Responsible Beauty Initiative (RBI), led by EcoVadis. Its members are leading companies in the Beauty industry such as L'Oréal, LVMH, Clarins and Groupe Rocher. We participate actively and specifically in the "Going Beyond" workstream, which aims at supporting the RBI members' suppliers in improving their CSR performance. This initiative is also a way to challenge and improve responsible procurement practices in the whole Beauty industry.

As we are aware that collaboration is key to progress in terms of the environmental and social impact of our company, the Group has launched a new partnerships programme with its strategic suppliers, named "Partners by nature". The objective is to create working groups around key themes such as carbon and waste. Among others, the partnership with Bolloré Group is key to measuring and helping to reduce the Carbon footprint within our logistic chain.

Moreover, in 2022, L'OCCITANE has been invited to join the EcoVadis trailblazers network as one of the awarded* companies in the 2021 edition of EcoVadis' #NotJustSuppliers global sustainable procurement programme. This network includes the most advanced companies in terms of responsible value chains, in order to share best practices and challenges.



L'OCCITANE GROUP'S PHILANTHROPIC ACTIONS

Together with our three sustainability priorities, and with the intention of going even further in our commitment to give back to society, L'OCCITANE Group has developed a strong philanthropic spirit. Over the years, philanthropy has spread through all our entities and public interest initiatives have multiplied. In FY2022, the Group released its Philanthropy Policy to establish and unify best practices, which includes an ethical charter, a screening process and guidelines to build strong and impactful philanthropic strategies.

In 2011, following the Tsunami in Japan, L'OCCITANE Group set up a Fund. It raised two million Euros from the Group's employees and shareholders to support reconstruction projects in devastated areas of Japan. Since then, the Fund has occasionally supported humanitarian causes during emergency situations, such as the devastating fires in the Amazon and Australia in 2020.

In March 2022, the Group donated €260,000 to support UNICEF's humanitarian action towards Ukrainian children.

ABOUT THE FUND'S GOVERNANCE

The Fund's Board of Directors. The Fund's Board of Directors is a combination of people representing L'OCCITANE's founder companies. The members of the Board serve free of charge and meet at least once a year, to approve the annual budget in accordance with bylaws and discuss and approve the operational team's strategic priorities and partnerships.

The operational team. The team manages the day-to-day philanthropic activities of the L'OCCITANE Group's Fund:

- Sourcing and reviewing projects to be submitted for the Board of Directors' approval.
- Organising the Fund's Board of Directors meeting, involving other directors and employees with qualifications in the fields of interest of the Fund, as well as leading external experts in the Group priorities.
- Following up supported projects to ensure that allocated resources are being used properly (meetings are organised regularly with partner charities and reports are provided over the course of the project, to monitor its progress and measure its impact).
- Administrating the Fund (legal, accounting, taxes, HR, etc.).
- Sharing contents with corporate and internal communication experts.

L'OCCITANE GROUP HAS DEDICATED TO PHILANTHROPY IN FY2022 A TOTAL OF € 4,3 MILLION

*Including financial and in-kind donations.



THE BRANDS' PHILANTHROPY

Aligned with the Group's priorities and in accordance with its own history, core values and communities, each brand has built its own philanthropic commitments. Our brands' philanthropic actions can be based on financial support, in-kind donations, volunteering or a combination of the three.

L'OCCITANE en Provence

L'OCCITANE en Provence commitment: reconcile people with Nature - by turning consumption into regeneration.

Since the foundation of L'OCCITANE en Provence, the brand has supported initiatives to help others and protect the environment. Its six key commitments are: Respecting Biodiversity, Supporting Producers, Reducing Waste, Caring for Sight, Empowering Women and Celebrating Craftsmanship. Three of these are fully aligned with the commitments that the Foundation has had since its creation in 2006, thus allowing the entire L'OCCITANE community to give them ever greater scope.

L'OCCITANE Foundation commitments:

- Caring for Sight around the world
- Respecting Biodiversity around the world
- Empowering Women in Burkina Faso

Caring for sight around the world

L'OCCITANE's subsidiaries and the brand's Foundation support NGO projects worldwide, providing eye screening, treatment and surgery, funding the acquisition of equipment and training of medical teams. The Foundation has been supporting NGO projects in Burkina Faso for years (in FY2022, Light for the World and Sight Savers). Altogether this year, the brand and the Foundation have supported 23 projects around the world, including UNICEF's international vitamin A supplementation programmes - the partnership with UNICEF mostly being funded by the profits* of solidarity products, such as candles (2021) or hand creams (2022). With a one million euro yearly donation, this partnership has already helped improve the prevention of childhood blindness for 5.5 million children across the world. Since the beginning of their commitment to fighting blindness, L'OCCITANE en Provence, its subsidiaries and its Foundation have provided eye care for 15.850.422 beneficiaries, therefore reaching the goal set for 2025 in advance. The company is currently working on the definition of a new objective.

*In-store retail price, excluding taxes and the costs of transportation and production.

Respecting Biodiversity around the world

L'OCCITANE en Provence has been committed to preserving the natural heritage of Provence since its creation. In this context, the L'OCCITANE Foundation supports NGO projects aiming to protect endangered plant varieties (the *Conservatoire Méditerranéen Partagé* and the French Committee of the International Union for Conservation of Nature), reforest (the endowment fund of the *Office national des forêts, Agir pour la Forêt*), promote agroforestry (the *Association Française d'Agroforesterie*), and raise awareness (*Sport dans la ville*) in the Mediterranean region. In FY2022, the brand and the Foundation have also supported 22 projects around the world.

Moreover, to further involve consumers in its charitable activity, L'OCCITANE en Provence has designed its first charity product whose profits* will be devoted to supporting biodiversity projects.

Since the beginning of their commitment, the brand and its Foundation have helped preserve 1,254 plant varieties. Their current goal is to help preserve 1,500 plant varieties by 2025.

*In-store retail price, excluding taxes and the costs of transportation and production

Empowering women in Burkina Faso

Since the 1980s, L'OCCITANE en Provence has been working closely with women who produce shea butter in Burkina Faso. In this context, the L'OCCITANE Foundation supports NGO projects aiming to empower girls and women in this country, through access to education (UNICEF and *Aide et Action Internationale*), training (*Empow'Her*) and entrepreneurship (*La Fabrique et Initiatives France, Les Amis de la Fabrique et Green Hope* and *Entrepreneurs du Monde*). In parallel, with the aim of meeting the primary needs of girls and women who have been displaced by the deteriorating safety situation in the country, this year the Foundation has renewed its support for *Médecins sans Frontières'* emergency action. Since the beginning of their commitment, the brand and its Foundation have supported 50,883 women. Their current goal is to promote the independence of 60,000 women by 2025.



L'OCCITANE FOUNDATION'S GOVERNANCE

The L'OCCITANE Foundation's Board of Directors. The board of Directors of the Foundation is a combination of directors representing its founder companies, other directors and employees with qualifications in the fields of interest of the Foundation, as well as leading external experts on some of the Group and brands' priority commitments (among them biodiversity protection, women empowerment and medical humanitarian projects). The members of the board serve free of charge and meet at least once a year to approve the annual budget in accordance with bylaws and discuss and validate the operational team's strategic priorities and partnerships.

The selection committees tasked with reviewing and selecting projects. Each of the commitments has its own selection committee comprising Operational team members, Board members, L'OCCITANE staff, and experts in relevant fields.

The operational team. The team manages the day-to-day philanthropic activities:

- Overseeing the brands' philanthropic strategies and KPIs, providing guidelines, assets, templates and/or advice about any philanthropy related topic.
- Examining funding requests, organising and preparing the selection committees. The team also proactively identifies organisations or projects that fit with L'OCCITANE en Provence's commitments.
- Following-up the supported projects to ensure that allocated resources are being used properly. Meetings are organised regularly with partner charities and reports are provided over the course of the project, to monitor its progress and measure its impact.
- Administering the Foundation (legal, accounting, taxes, HR, etc.).
- Sharing contents with corporate and internal communication experts.

To learn more about the L'OCCITANE Foundation and its philanthropic commitments, please visit:

<https://fondation.loccitane.com>



LimeLife

LimeLife commitment: Empowering women by developing female entrepreneurship, leadership and financial empowerment globally.

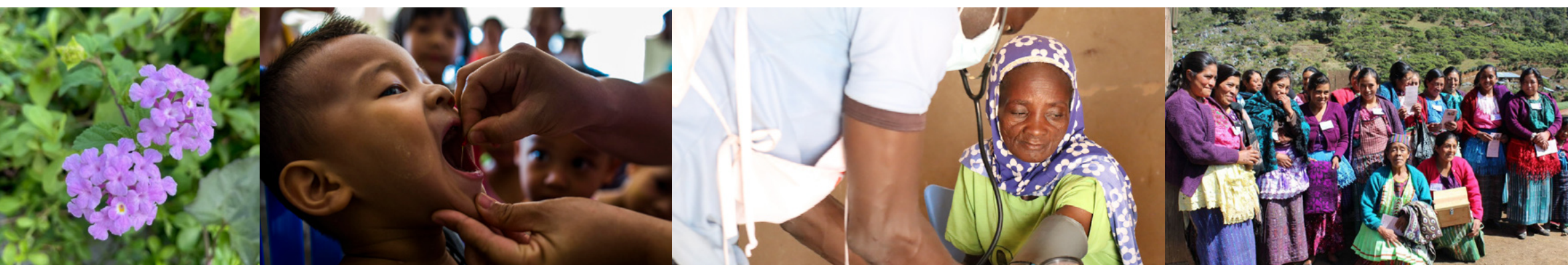
The Brighter Together Foundation (BTF) was created by LimeLife by Alcone to continue its commitment to fostering female-focused leadership, their personal and financial well-being, and strengthening local community impact. Currently, the foundation has three main initiatives that are renewed every year:

- A partnership with Global Communities, Women Empowered initiative.
- Brighter Together Women's Leadership Summit.
- Brighter Together Chapters, North America.

BTF has been a primary funder for Global Communities' Women Empowered initiative. Women Empowered (WE) is dedicated to promoting the economic and social empowerment of women. The funding provided by Brighter Together has been directly devoted to supporting life skills training in Guatemala and Tanzania, while enabling Global Communities to support programmes across all the countries in which they operate. This includes life skills training projects for WE groups in Nicaragua and Burundi and basic business skills training for women in Guatemala and Tanzania. Since its inception, BTF has donated close to \$900,000 to Global Communities. BTF's donations have contributed to ensuring that almost 35,000 WE participants complete their training. Moreover, they have allowed Global Communities to use these unrestricted funds to innovate and pilot new programmes based on insights from the initiative.

To learn more about LimeLife's Brighter Together Foundation, please visit:

<https://www.brightertogetherfoundation.org>



ELEMIS

ELEMIS commitments:

- Disease Prevention & Awareness
- Mental Health & Wellness
- Clean Water and Oceans

Disease Prevention & Awareness. Focusing on breast cancer and five types of gynaecological cancer, ELEMIS continues to support life-changing research, as well as supporting people affected by this disease. The brand helps to fund information campaigns on screening for breast checks or symptoms to look out for, and help lines to provide aftercare for those who are recovering. ELEMIS has worked with Breast Cancer NOW for 21 years, raising a total of £298,406 since the inception of this partnership. It has also worked with The Eve Appeal since 2018, as well as The Lady Garden and The Pink Agenda in the US.

Mental Health & Wellness. ELEMIS has supported various charities during the pandemic, helping communities with mental health, wellness and personal development. By supporting Fareshare, they helped provide an equivalent of 31,000 meals for vulnerable people. They also supported Beauty Banks in their quest to make hygiene poverty history. Lastly, they supported The Prince's Trust with their campaign #ChangeAGirlsLife, aimed at supporting people from underprivileged backgrounds in the UK to reach their full potential.

Clean Water and Oceans. The London team were very excited to take part in their first river clean up along the Thames, supporting "Surfers against Sewage" and collecting 2,375Kg of waste at low tide.



Melvita

Melvita commitment: Agricultural transition for the preservation of biodiversity.

Melvita has been committed to protecting biodiversity for the past 40 years. Since 2010, this French pioneer in organic beauty has supported over 80 projects to protect biodiversity, promote beekeeping and save bees: 1,150 beehives have been set up in France and abroad, a home for 60 million bees. It takes an agro-ecological and people-centric approach, helping individuals to reintegrate into society and promoting social advancement.

Melvita is acutely aware of the ecological emergency we face and is convinced that a more systemic approach must be taken to protect biodiversity. In 2020, it joined forces with *France Nature Environnement* to raise awareness among farmers about the importance of accelerating the withdrawal of pesticides.

In FY2022, through the Melvita Fund, Melvita partnered with the GoodPlanet Foundation in an agroforestry project in France with a global budget of €30,000. This project aims to support small producers in their transition to agroecology and to a way of farming that allows for better soil regeneration by planting trees in farmlands.



Erborian

Erborian commitment: Kindness and self-confidence for the prevention of cyber harassment and cyber violence.

Erborian launched its Kindness Club in 2021, committed to defending self-acceptance values and seeing social media evolve towards greater benevolence. The scope of action: advocating for respect and kindness to make the Internet a safer place, preventing harassment and online violence and defending a more socially committed way of influencing, going beyond product and marketing considerations.

In France, Erborian is collaborating with the NGO Respect Zone, which works to combat cyber-violence. This year, the brand donated €1 per purchase on its website in collaboration with an influencer.



L'OCCITANE au Brésil

L'OCCITANE au Brésil always seeks to promote local actions to reinforce the improvement of the quality of life and well-being of communities, generating a positive social impact. The initiatives that deserve attention this year are:

- **Movimento Brasil:** Since 2019, the Brasil Movement has been developing social projects in rural areas, focusing mainly on the implementation of agroforestry systems. Through the Agrocaatinga project, 15 families benefitted from these actions and an area of 20,000 m² of the Caatinga biome was regenerated. The main objective of these projects is to empower local communities with sustainable agricultural production, contributing to food production and income generation, as well as restoring critically endangered Brazilian biomes, such as the Caatinga.

- **Emergency support:** In 2022 heavy rains hit Petrópolis, a mountain region in Rio de Janeiro, damaging the quality of life of a population that was already in a situation of social vulnerability, and leaving more than 240 dead and 500 homeless. The occurrence of this natural disaster accentuated the lack of care that these people were already experiencing. Therefore, L'OCCITANE au Brésil donated 92,155 personal care items from the au Brésil brand, including shampoos, soaps, conditioners and body lotions to people affected by the rains in Petrópolis, offering their support and solidarity at this critical time.

- **Promoting access to water:** one of humanity's greatest challenges is universal access to basic rights, such as clean water. In view of this, L'OCCITANE au Brésil donated money to support the UNICEF project that aims to promote access to water for children living in remote communities and in situations of water vulnerability. This action reinforces the care that L'OCCITANE au Brésil has for promoting the well-being of the most vulnerable communities.

L'OCCITANE and its Foundation achieved two key targets for 2020:
 > 33,000 women supported in Burkina Faso
 > 10 million beneficiaries received eye care

The Group supports, through the Fund, ecosystems that have been severely affected by natural disasters

Melvita celebrates 10 years of commitment 700 K€ to support 82 projects and implement 1150 beehives in France and abroad

Launch of 1st solidarity product by L'OCCITANE en Provence, with proceeds donated to NGO's projects

Creation of L'OCCITANE en Provence Foundation

Melvita launches its own Foundation for preserving Biodiversity and safeguarding bees

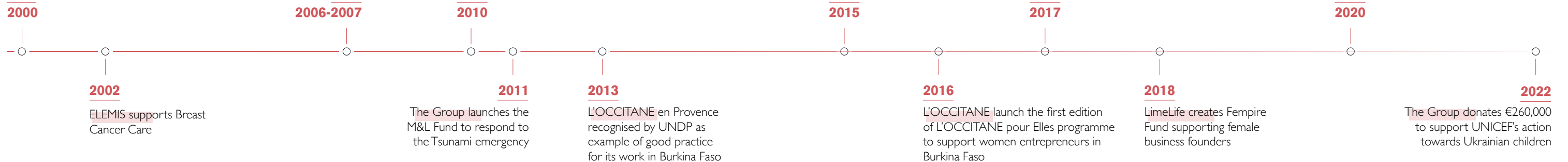
L'OCCITANE launch the first edition of the Race for Vision to raise funds to fight blindness in countries

ELEMIS supports Women for Women International helping marginalised women in conflict areas

LimeLife creates Brighter Together Foundation to encourage female entrepreneurship in disadvantaged communities

L'OCCITANE started to support UNICEF to help prevent childhood blindness around the world with a minimum of 1 M€/year

The Group donates €260,000 to support UNICEF's action towards Ukrainian children



IV. APPENDIX

1. Sustainability key performance indicators FY2022
2. Cross-reference table of information required by the Hong Kong Stock Exchange
3. Main non-financial risks
4. Stakeholders engagement process
5. Due diligence, compliance and methodology information
6. Third-party limited assurance report



I. SUSTAINABILITY KEY PERFORMANCE INDICATORS FY2022

MATERIAL TOPIC	HKEX KPI ID	KPI NAME	unit	FY2019	FY2020	FY2021	FY2022	SCOPE
1 ETHICS								
Ethics	KPI B7.1	Number of concluded legal cases regarding corrupt practices.	No.	0	0	0	0	GROUP
Ethics	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	No.	0	0	0	0	GROUP
Ethics	KPI B6.2	Number of products and service related complaints received (cosmetovigilance)	No.	994	875	626	1 997	GROUP (including ELEMIS and LimeLife in FY2022)
2 ENVIRONMENT								
PRESERVING AND REGENERATING NATURAL AND CULTIVATED BIODIVERSITY				FY2019	FY2020	FY2021	FY2022	
RAW MATERIALS								
Ingredients Traceability	KPI A3.1	Traceability of plants contained in raw materials (see methodology in Appendix 5).	%	10	12	45	56	L'OCCITANE en Provence and Melvita
Responsible Palm oil derivatives		Group volumes of RSPO palm equivalent	t	NA	NA	NA	2 907	GROUP (all brands)
Responsible Palm oil derivatives		Group percentage of RSPO palm equivalent of total palm volume equivalent	%	NA	NA	94	96	GROUP (all brands)
Responsible Palm oil derivatives		Percentage of RSPO palm equivalent of total palm volume equivalent	%	NA	68	99.5	99.5	L'OCCITANE en Provence and Melvita
Raw materials certified	KPI A3.2	Group total raw material volume certified	%	NA	NA	NA	40	GROUP (all brands excluding LimeLife). Certifications considered: Organic, Fair for Life, RSPO, etc.
Key Raw Materials	KPI A3.4	Volume of Key Raw Materials	t	890	865	467	862	L'OCCITANE en Provence and Melvita
Key Raw Materials	KPI A3.5	Key Raw Materials Organic-certified	t	447	447	447	800	L'OCCITANE en Provence and Melvita
Key Raw Materials	KPI A3.6	Key Raw Materials Organic-certified	%	50	52	96	98	L'OCCITANE en Provence and Melvita
ECO FORMULATION								
Biodegradability		Rinse-off formulas reaching 95% of biodegradability	%	NA	NA	80	86	L'OCCITANE en Provence
Biodegradability		Rinse-off formulas reaching 95% of biodegradability	%	NA	NA	NA	77	Melvita
Biodegradability		Rinse-off formulas reaching 95% of biodegradability	%	NA	NA	NA	89	L'OCCITANE au Brésil
Portfolio naturality		Formulas with at least 95% ingredients of natural origin	%	NA	NA	34	39	L'OCCITANE en Provence
REDUCE THE IMPACT OF OUR PRODUCTION ON WATER AND WASTE				FY2019	FY2020	FY2021	FY2022	
WATER								
Water consumption Manufacturing	KPI A2.2	Water consumption of all production sites	m3	1 11 209	105 042	95 783	107 106	All factories (Brazil included in FY2022, excluded before)
Water consumption Manufacturing	KPI A2.3	Water consumption in intensity per unit produced	L/u	0.8	0.8	0.8	0.7	All factories (Brazil included in FY2022, excluded before)
Water consumption Manufacturing	KPI A2.2	Water consumption in intensity per ton produced average	m3/t	7.8	7.3	7.4	6.2	All factories (Brazil included in FY2022, excluded before)
WASTE AND CIRCULAR ECONOMY								
Packaging	KPI A2.5	Total volume of materials used	t	NA	NA	NA	6 551	All brands excluding LimeLife
Packaging	KPI A2.5	Total volume of materials used	t	NA	5 683	4 046	4 383	L'OCCITANE en Provence and Melvita
Packaging	KPI A1.6	Packaging recyclability rate	%	NA	NA	NA	53	All brands excluding LimeLife
Packaging	KPI A1.6	Packaging recyclability rate	%	NA	60	56	58	L'OCCITANE en Provence and Melvita
Packaging		Packaging recycled aluminium	%	NA	NA	22	42	L'OCCITANE en Provence and Melvita
Packaging		Recycled plastic in bottles	%	NA	32	43	50	L'OCCITANE en Provence
Packaging		Recycled plastic in bottles	%	NA	NA	75	84	Melvita
Packaging	KPI A1.6	Volume of materials saved by eco-refills	t	141	182	252	292	L'OCCITANE en Provence
Waste	KPI A1.4	Total generation of non-hazardous waste	t	2 890	2 694	2 600	2 216	All factories (Brazil included in FY2022, excluded before)
Waste	KPI A1.5	Total volume recycled	%	67	70	70	71	All factories (Brazil included in FY2022, excluded before)
Waste	KPI A1.3	Total generation of hazardous waste	t	745	676	606	692	All factories (Brazil included in FY2022, excluded before)
Waste	KPI A1.3	Hazardous waste per unit produced	kg / u	0.015	0.008	0.016	0.005	All factories (Brazil included in FY2022, excluded before)
Recycling in-store programs	KPI A1.6	Weight of materials collected	t	NA	33 032	66 624	71 680	GROUP (all brands with recycling partners: L'OCCITANE en Provence, Melvita, Duolab and LimeLife)
Recycling in-store programs	KPI A1.7	Number of units collected	u.	NA	NA	NA	1 865 565	GROUP (all brands with recycling partners: L'OCCITANE en Provence, Melvita, Duolab and LimeLife)
Recycling in-store programs	KPI A1.6	Stores owned by the Group with recycling programmes for customers	%	15	42	48	73	GROUP (all brands with recycling partners: L'OCCITANE en Provence, Melvita, Duolab and LimeLife)

CLIMATE & CARBON FOOTPRINT				FY2019	FY2020	FY2021	FY2022	
GREENHOUSE GAS (GHG) EMISSIONS								
Carbon footprint Group	KPI A1.1	Total GHG emissions	tCO ² eq	NA	467 512	NA	499 461	GROUP (all brands), FY2020 have been updated vs. ESG report FY2021.
Carbon footprint Group	KPI A1.2	Scope 1 emissions	tCO ² eq	NA	4 165	NA	4 085	GROUP (all brands), FY2020 have been updated vs. ESG report FY2021.
Carbon footprint Group	KPI A1.2	Scope 2 emissions (market based)	tCO ² eq	NA	18 206	NA	1 592	GROUP (all brands), FY2020 have been updated vs. ESG report FY2021.
Carbon footprint Group	KPI A1.2	Scope 2 emissions (location based)	tCO ² eq	NA	NA	NA	17 322	GROUP (all brands), FY2020 have been updated vs. ESG report FY2021.
Carbon footprint Group	KPI A1.3	Scope 3 emissions	tCO ² eq	NA	445 140	NA	493 784	GROUP (all brands), FY2020 have been updated vs. ESG report FY2021.
Carbon footprint Group	KPI A1.4	GHG emissions intensity	kg CO ² eq/E	NA	NA	NA	0.547	tCO ² eq per unit of added value

ENERGY								
Energy Group	KPI A2.1	Total energy consumption	kWh	NA	NA	NA	49 431 844	GROUP (all brands)
Renewable Energy Group	KPI A2.1	Percentage of energy consumption from renewable sources	%	NA	NA	NA	89	GROUP (all brands)
Electricity Group	KPI A2.1	Total Electricity consumption	kWh	43 871 771	39 617 270	39 321 960	40 081 370	GROUP (all brands)
Renewable Electricity	KPI A2.1	Percentage of electricity consumption from renewable sources	%	15	40	80	95	GROUP (all brands)
Energy Manufacturing	KPI A2.1	Total energy consumption	kWh	20 629 708	19 955 532	18 142 599	19 683 143	All factories (Brazil included in FY2022, excluded before)
Renewable energy Manufacturing	KPI A2.1	Percentage renewable energy consumption	%	NA	NA	96	94	All factories (Brazil included in FY2022, excluded before)
Energy intensity Manufacturing	KPI A2.1	Intensity of energy consumption	kWh/k unit produced	140	142	149	135	All factories (Brazil included in FY2022, excluded before)
Electricity Manufacturing	KPI A2.1	Total electricity consumption	kWh	11 458 826	11 577 916	10 037 260	10 866 600	All factories (Brazil included in FY2022, excluded before)
Renewable electricity Manufacturing	KPI A2.1	Percentage electricity consumption from renewable sources	%	NA	96	96	100	All factories (Brazil included in FY2022, excluded before)
Electricity stores	KPI A2.1	Total stores electricity consumption	kWh	32 412 945	28 039 354	29 284 700	21 438 935	GROUP (all brands)
Renewable electricity stores	KPI A2.1	Total stores electricity consumption from renewable sources	kWh	2 108 153	4 627 374	21 192 040	19 909 297	GROUP (all brands)
Gas Group	KPI A2.1	Total gas consumption	kWh	NA	NA	NA	10 649 970	GROUP (all brands)
Gas Manufacturing	KPI A2.1	Total gas consumption	kWh	9 170 882	8 377 616	8 105 339	8 816 543	All factories (Brazil included in FY2022, excluded before)

3. SOCIAL KPIS

WORKFORCE				FY2019	FY2020	FY2021	FY2022	
Total workforce	KPI B1.1	Total workforce (FTE)	No. (FTE)	8 747	8 838	8 733	9 042	GROUP (all brands including also Sol de Janeiro)
Breakdown by gender	KPI B1.1	Number of women	%	NA	87	87	87	97% of total headcount (all brands except Limelife)
Breakdown by gender	KPI B1.1	Number of men	%	NA	13	13	13	97% of total headcount (all brands except Limelife)
Full-time employees	KPI B1.1	Number of full-time employees	No.	NA	NA	7 534	7 718	97% of total headcount (all brands except Limelife)
Part-time employees	KPI B1.1	Number of part-time employees	No.	NA	NA	2 757	2 866	97% of total headcount (all brands except Limelife)
Total part-time employees female		Total part-time employees female	No.	NA	NA	2 612	2 655	97% of total headcount (all brands except Limelife)
Breakdown of employees by age	KPI B1.1	Number of employees: <25	No.	NA	1 941	1 610	1 671	97% of total headcount (all brands except Limelife)
Breakdown of employees by age	KPI B1.1	Number of employees: 25-34	No.	4 542	4 391	4 181	4 087	97% of total headcount (all brands except Limelife)
Breakdown of employees by age	KPI B1.1	Number of employees: 35-44	No.	2 637	2 747	2 781	2 884	97% of total headcount (all brands except Limelife)
Breakdown of employees by age	KPI B1.1	Number of employees:45-54	No.	1 775	1 223	1 199	1 268	97% of total headcount (all brands except Limelife)
Breakdown of employees by age	KPI B1.1	Number of employees: 55 or above	No.	408	439	520	574	97% of total headcount (all brands except Limelife)
Breakdown of employees by geographic region	KPI B1.1	Workforce - North America	%	11	11	10	12	GROUP (all brands including also Sol de Janeiro)
Breakdown of employees by geographic region	KPI B1.1	Workforce - South America	%	10	10	10	9	GROUP (all brands including also Sol de Janeiro)
Breakdown of employees by geographic region	KPI B1.1	Workforce - Europe	%	41	41	42	43	GROUP (all brands including also Sol de Janeiro)
Breakdown of employees by geographic region	KPI B1.1	Workforce - Africa & Middle East	%	1	1	1	1	GROUP (all brands including also Sol de Janeiro)
Breakdown of employees by geographic region	KPI B1.1	Workforce - Asia & Pacific	%	37	37	37	35	GROUP (all brands including also Sol de Janeiro)
Female management	KPI B1.1	Women in key management positions (N-1 Executive committee)	%	NA	48	51	50	GROUP (all brands including also Sol de Janeiro)

Female management	KPI B1.1	Women in Executive committee	%	NA	25	33	38	GROUP (all brands including also Sol de Janeiro)
Female management	KPI B1.1	Women in Board of director	%	10	10	10	20	GROUP (all brands including also Sol de Janeiro)
Employees with disabilities	KPI B1.1	Employees with disabilities Group	%	NA	NA	NA	NA	
Employees with disabilities	KPI B1.1	Employees with disabilities in production sites in France	%	8	10	7	7	French factories (excluding Brazil) - new calculation method from FY2021 excluding beneficiary units).
Staff turnover	KPI B1.2	Staff turnover rate	%	NA	38	30	35	97% of total headcount (all brands except Limelife)
Turnover by gender	KPI B1.2	Turnover in women	%	NA	NA	31	36	97% of total headcount (all brands except Limelife)
Turnover by gender	KPI B1.2	Turnover in men	%	NA	NA	24	28	97% of total headcount (all brands except Limelife)
Turnover by age	KPI B1.2	25-34	%	NA	NA	32	37	97% of total headcount (all brands except Limelife)
Turnover by age	KPI B1.2	35-44	%	NA	NA	22	25	97% of total headcount (all brands except Limelife)
Turnover by age	KPI B1.2	45-54	%	NA	NA	20	21	97% of total headcount (all brands except Limelife)
Turnover by age	KPI B1.2	55 or above	%	NA	NA	27	50	97% of total headcount (all brands except Limelife)
Turnover by geographic region	KPI B1.2	Turnover - North America	%	NA	72	50	64	97% of total headcount (all brands except Limelife)
Turnover by geographic region	KPI B1.2	Turnover - South America	%	NA	54	71	54	97% of total headcount (all brands except Limelife)
Turnover by geographic region	KPI B1.2	Turnover - Europe	%	NA	30	19	26	97% of total headcount (all brands except Limelife)
Turnover by geographic region	KPI B1.2	Turnover - Africa & Middle East	%	NA	23	NA	NA	97% of total headcount (all brands except Limelife)
Turnover by geographic region	KPI B1.2	Turnover - Asia & Pacific	%	NA	24	20	30	97% of total headcount (all brands except Limelife)
HEALTH & SAFETY				FY2019	FY2020	FY2021	FY2022	
Health and safety (Group)	KPI B2.1	Number and rate of work-related fatalities	No.	0	0	0	0	GROUP (all brands)
Health and safety (Group)	KPI B2.2	Lost days due to work injury.	No.	NA	NA	NA	NA	
Health and safety Manufacturing France		Number of accidents	No.	3	6	9	7	French factories (excluding Brazil)
Health and safety Manufacturing France		Work-related accident frequency rate	%	2	4	8	5	French factories (excluding Brazil)
Health and safety Manufacturing France		Work-related accident severity rate	%	0.1	0.3	0.6	0.2	French factories (excluding Brazil)
Health and safety Manufacturing France	KPI B2.2	Lost days due to work injury	No.	NA	443	747	266	French factories (excluding Brazil)
TRAININGS				FY2019	FY2020	FY2021	FY2022 GROUP	
Overall Employees trained	KPI B3.1	Employees who received training last fiscal year	No.	NA	NA	NA	6 520	60% of FTE (10 countries)
Employees trained of the Group	KPI B3.1	Percentage of employees trained	%	NA	NA	NA	67	60% of FTE (10 countries)
Overall Female Employees trained	KPI B3.1	Female employees who received training last fiscal year	No.	NA	NA	NA	5 591	60% of FTE (10 countries)
Employees female trained of the Group	KPI B3.1	Percentage of employees female trained	%	NA	NA	NA	67	60% of FTE (10 countries)
Overall corporate employees trained	KPI B3.1	Employees of corporate who received training last fiscal year	No.	NA	NA	NA	2 016	60% of FTE (10 countries)
Corporate trained of the Group	KPI B3.1	Percentage of employees corporate trained	%	NA	NA	NA	65	60% of FTE (10 countries)
Overall retail employees trained	KPI B3.1	Employees of retail who received training last fiscal year	No.	NA	NA	NA	4 286	60% of FTE (10 countries)
Retail trained of the Group	KPI B3.1	Percentage of employees retail trained	%	NA	NA	NA	67	60% of FTE (10 countries)
Manufacturing employees trained (France)	KPI B3.1	Percentage of employees manufacturing employees trained	%	85	72	53	75	60% of FTE (10 countries)
Group total training hours work-force	KPI B3.2	Total training hours of all employee	No.	NA	NA	NA	121 590	60% of FTE (10 countries)
Group training average hours	KPI B3.2	Total average training hours per employees	No.	NA	NA	NA	19	60% of FTE (10 countries)
Corporate training hours	KPI B3.2	Corporate training hours	No.	NA	NA	NA	26 314	60% of FTE (10 countries)
Corporate training average hours	KPI B3.2	Corporate training average hours	No.	NA	NA	NA	13	60% of FTE (10 countries)
Retail training hours	KPI B3.2	Retail training hours	No.	NA	NA	NA	91 896	60% of FTE (10 countries)
Retail training average hours	KPI B3.2	Retail training average hours	No.	NA	NA	NA	21	60% of FTE (10 countries)
Manufacturing France average hours	KPI B3.2	Total hours of training in production sites	No.	17 000	11 759	6 888	4 511	60% of FTE (10 countries)
Average hours training in the Manufacturing sites (France)	KPI B3.2	Average number of hours of training in production sites	No.	NA	NA	NA	17	60% of FTE (10 countries)

4.VALUE CHAIN MANAGMENT								
SUPPLY CHAIN				FY2019	FY2020	FY2021	FY2022	
SUPPLY CHAIN		Proportion of finished products shipped out by rail	%	NA	NA	17	5	GROUP (all brands)
SUPPLY CHAIN		Proportion of finished products shipped out by road	%	NA	12.2	11	21	GROUP (all brands)
SUPPLY CHAIN		Proportion of finished products shipped out by cargo	%	NA	NA	71	73	GROUP (all brands)
SUPPLY CHAIN		Proportion of finished products shipped out by air	%	1.4	1.1	1.1	1.2	GROUP (all brands)
NOT JUST SUPPLIERS PROGRAM				FY2019	FY2020	FY2021	FY2022	
Direct suppliers assessed on CSR		Direct suppliers assessed on CSR	%	NA	87	89	95	GROUP (all brands)
Indirect suppliers assessed on CSR		Indirect suppliers assessed on CSR	%	NA	29	47	53	GROUP (all brands)
Direct and indirect procurement		Number of supplier identify as "high risk"	No.	NA	5	7	15	GROUP (all brands)
Suppliers sustainabilty performance		Direct suppliers sustainability performance average	%	NA	60	62	64	GROUP (all brands)
Direct suppliers by geographic region	KPI B5.1	Suppliers - North America	%	NA	20	9	0.3	GROUP (all brands)
Direct suppliers by geographic region	KPI B5.1	Suppliers - South America	%	NA	7	2	4	GROUP (all brands)
Direct suppliers by geographic region	KPI B5.1	Suppliers - Europe	%	NA	60	77	82	GROUP (all brands)
Direct suppliers by geographic region	KPI B5.1	Suppliers - Africa & Middle East	%	NA	2	1	1	GROUP (all brands)
Direct suppliers by geographic region	KPI B5.1	Suppliers - Asia & Pacific	%	NA	11	11	13	GROUP (all brands)
5. COMMUNITY INVESTMENT- GROUP PHILANTHROPY				FY2019	FY2020	FY2021	FY2022	
Community investment	KPI B8.2	Charitable donation (financial + inkind)	€	NA	NA	3 631 000	4 330 000	GROUP (all brands)
Community investment	KPI B8.2	In-kind donation	€	NA	NA	NA	544 000	GROUP (all brands)

2. CROSS-REFERENCE TABLE OF INFORMATION REQUIRED BY THE HONG KONG STOCK EXCHANGE

SUBJECT AREAS, ASPECTS, GENERAL DISCLOSURES AND KPIS		PUBLICATION
A. Environmental		
Aspect A1: Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: - Air emissions include NO _x , SO _x , and other pollutants regulated under national laws and regulations. - Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. - Hazardous wastes are those defined by national regulations.	Page 34-43 (GHG, water, waste and energy) Page 46-49 (packaging) Appendix I Appendix 5
	KPI A1.1 The types of emissions and respective emissions data.	Page 36; Appendix I
	KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Page 36; Appendix I
	KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I
	KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I
	KPI A1.5 Description of emission target(s) set and steps taken to achieve them.	Page 34-40
	KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Page 42, 46-49
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Page 27-29 (raw materials) Page 34-39 (GHG) Page 41-43 (water, waste and energy) Page 43-49 (product eco-conception)
	KPI A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendix I
	KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix I
	KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Page 37-38; 42
	KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Page 41
	KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Page 38-42; Appendix I
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	Page 27-29 (raw materials) Page 34-39 (GHG) Page 41-43 (water, waste and energy) Page 43-49 (product eco-conception)
	KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Page 27-29 (raw materials) Page 34-39 (GHG) Page 41-43 (water, waste and energy) Page 43-49 (product eco-conception)
Aspect A4: Climate Change	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Page 34-39 (GHG)
	KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Page 34-39 (GHG)

B. Social

Employment and Labour Practices

Aspect B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Page 52-57 Appendix 5
	KPI B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Appendix I
	KPI B1.2 Employee turnover rate by gender, age group and geographical region.	Appendix I
Aspect B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Page 57 Appendix 5
	KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix I
	KPI B2.2 Lost days due to work injury.	Appendix I
	KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Page 57
Aspect B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: <i>Training refers to vocational training. It may include internal and external courses paid by the employer.</i>	Page 56
	KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix I
	KPI B3.2 The average training hours completed per employee by gender and employee category.	Appendix I
Aspect B4: Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Page 20 (ethics) Page 59-60 (supply chain) Appendix 5
	KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	Page 20
	KPI B4.2 Description of steps taken to eliminate such practices when discovered.	Page 20

Operating Practices

Aspect B5: Supply Chain Management	General Disclosure	Page 27-29 (raw materials) Page 34-39 (GHG) Page 43-49 (product eco-conception) Page 59-60 (supply chain)
	Policies on managing environmental and social risks of the supply chain.	
	KPI B5.1 Number of suppliers by geographical region.	Page 58; Appendix I
	KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Page 27-29 (raw materials); Page 34-39 (GHG); Page 59-60 (supply chain)
	KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Page 27-29 (raw materials); Page 34-39 (GHG); Page 59-60 (supply chain)
KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Page 48-49	

Aspect B6: Product Responsibility	General Disclosure	Page 20-23 (ethic and product responsibility) Appendix 5
	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	
	KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Page 23
	KPI B6.2 Number of products and service related complaints received and how they are dealt with.	Page 22
	KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	Page 20 (included in our Code of Conduct)
	KPI B6.4 Description of quality assurance process and recall procedures.	Page 22-23
KPI B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Page 23; Appendix 5	

Aspect B7: Anti-corruption	General Disclosure	Page 20 Appendix 5
	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	
	KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Appendix I
	KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Page 20; Appendix 5
KPI B7.3 Description of anti-corruption training provided to directors and staff.	Page 20	

Community

Aspect B8: Community Investment	General Disclosure	Page 61-63 (philanthropy) Page 32-33 (local producers) Appendix I
	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	
	KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Page 61-63
KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	Page 61-63; Appendix I	

3. MAIN NON-FINANCIAL RISKS

RISK CATEGORY	EXAMPLE OF RISK	POLICIES AND ACTIONS IMPLEMENTED	PERFORMANCE INDICATORS
RISKS ASSOCIATED TO OUR PRODUCTS	<ul style="list-style-type: none"> • Use of ingredients that have an undesirable effect on a person's health or the environment. • Product recalls for reasons related to consumer health and safety. • Loss of CSR certification (Cosmebio organics label, ESR standard, etc.). 	<ul style="list-style-type: none"> • Monitoring regulations. • Quality control checks and strict respect for products' shelf-life. • Raw materials charter. • L'OCCITANE Nature Lab. • Sustainable development of formulas. • Cosmebio organics label obtained for the Melvita brand. 	<ul style="list-style-type: none"> • Number of product recalls and consumer claims for reasons related to consumer health and safety. • Formula biodegradability. • Percentage of product ingredients of natural origin (currently being redefined). • Products external evaluation.
RISKS ASSOCIATED TO THE ENVIRONMENTAL IMPACT OF OUR FACTORIES	<ul style="list-style-type: none"> • Pollution generated by factories. 	<ul style="list-style-type: none"> • Environmental management system and ISO 14001 certification. • Tests carried out on the waste released into the air and water. • Waste reduction and recycling. • RE100 commitment (100% renewable energy). 	<ul style="list-style-type: none"> • Water and energy consumption. • Waste generation and types of processing (landfill, incineration, recycling). • Greenhouse gas emissions. • Percentage of sites using renewable electricity.
RISKS ASSOCIATED TO THE SUPPLY CHAIN	<ul style="list-style-type: none"> • Non-compliance with human rights obligations/product regulations by suppliers or subcontractors. • Pollution generated by suppliers or subcontractors. • Unavailability of a key raw material. • Unbalanced relationship with suppliers or subcontractors. 	<ul style="list-style-type: none"> • Group CSR policy. • Auditing of supply chain risks. • Evaluation of suppliers in terms of CSR. • Multi-year contracts with producers. • Organic and fair-trade certifications for key raw materials. 	<ul style="list-style-type: none"> • Percentage of suppliers who acknowledged and signed the Group CSR policy. • Percentage of suppliers evaluated in terms of CSR. • Number of producers covered by multi-annual contracts. • Percentage of key raw materials certified as organic or fair trade.
RISKS ASSOCIATED TO HUMAN RESOURCES	<ul style="list-style-type: none"> • Behaviour that infringes human rights (discrimination, harassment, etc.). • Insufficient workplace health and safety. • Non-compliance with local labour laws. 	<ul style="list-style-type: none"> • Group CSR policy. • Diversity charter. • Auditing of Human Resources risks. • OHSAS 18001 certification. • Accident prevention and workplace safety plan. • Internal job board. • Survey on employees' mental health. 	<ul style="list-style-type: none"> • Absenteeism rates, frequency, duration and reasons. • Number of workplace injuries. • Staff turnover. • Number of HR litigations.
RISKS ASSOCIATED TO ETHICS	Fraudulent or unethical behaviour (corruption, tax fraud, conflict of interest, money laundering, etc.).	<ul style="list-style-type: none"> • Code of Business Conduct. • Code of Ethics for Purchasing teams. • Auditing of practices. • Whistleblowing channel. • KYC guidelines ("Know Your Customer"). 	<ul style="list-style-type: none"> • Number of legal proceedings for corruption. • Number of detected fraud cases or unethical situations. • Number of money laundering alerts raised by our banking partners.
RISKS ASSOCIATED TO PERSONAL DATA	Non-compliance with data protection regulations (e.g. loss of personal data, misuse of personal data, etc.).	<ul style="list-style-type: none"> • Global privacy policy. • Data breach policy. • Customer data, employees and candidates' data processing guidelines. • Training sessions and awareness actions organised by the Data Protection Officer. 	<ul style="list-style-type: none"> • Number of cases raised regarding personal data breach. • Number of legal actions related to personal data management.

4. STAKEHOLDERS ENGAGEMENT PROCESS

STAKEHOLDERS	WHY WE ENGAGE	HOW WE ENGAGE	KEY TOPICS AND EXPECTATIONS
OWNERS, SHAREHOLDERS AND INVESTORS	We engage them on the sustainability strategy, and performance of the Group, with a focus on long-term positive impact and the triple bottom line model.	Reporting, answering questions, organizing face-to-face meetings, results presentation once a year, dedicated contact for investors.	Strategy and vision (business and sustainability), sustainability performance, ESG reporting, sustainability projects valorisation, positive impact and SDGs.
EMPLOYEES	We value employee feedback so we can improve our processes and ways of working. This also helps us find out about potential concerns in a proactive manner, to nurture our talent, to attract new talents and to promote our company's values.	Sociable (internal social media), surveys (Great place to work in most of the countries every 2 years, mood survey in many countries since the COVID-19), town hall with top management, headquarter and external speakers, solidarity events (Race For Vision), roll-out of agility way of working and flexible working among the whole Group.	Business strategy, customer expectations, health and wellbeing, career development, social benefits, diversity and inclusion, sustainability, values, transparency, ethics, fairness, feel included in the decision-making process, be heard, feel respected and valued, have a voice.
CUSTOMERS	Customers satisfaction and engagement is a top priority, we value their feedback on the products and on the brands experiences online or in stores. We also engage them on sustainability, inviting them to recycle or to buy eco-responsible products, through communications, stores, dedicated pop-up stores or experiences.	Social media listening, customer data analysis, interviews with beauty advisors, trend analysis, focus groups, customer service, questionnaires, dedicated Center to test formulas.	Product safety, efficiency and quality, transparency on formula (ingredients, sourcing, naturality), product eco-design, environmental and social footprint of products, responsible sourcing, brand experiences beyond products, human rights, ethical business practices.
SUPPLIERS	We engage on various topics so we can together raise the bar on sustainability performance and support our suppliers in overcoming challenges. Suppliers also help us manage our risks, collect ESG data, and improve traceability.	Sustainable sourcing team for local direct producers #NotJustSuppliers program (CSR criteria in supplier selection, performance review, risk management and innovation), partnership program, member of Responsible Beauty Initiative of EcoVadis, Global and local Purchasing organization #OneTeam.	innovation with a focus on sustainable innovation, CSR performance, alignment with our Sustainability strategy, resilience, contribution to the SDGs.
LOCAL COMMUNITIES	Local communities are key and our partners on the field in our Nature Positive and Carbone Net Zero ambition. We aim to generate a positive impact where we operate but also where we source, all around the world. This engagement is important to improve the livelihoods of smallholder farmers but also to secure supply of key naturals.	Sustainable communities' program, 9 employees dedicated to daily contact with local producers, Fair trade certification, RESIST program in Burkina Faso, Regenerative agriculture and Fair-trade farmer collective in France, forums with producers. L'OCCITANE Foundation and Fund, with a team of 5 persons, donations to local communities and NGOs (funds or products), where we source and where we operate (in subsidiaries).	Sustainable agriculture, living wage, livelihoods, know how, landscape preservation, family farming. Access to health, education, training and security.
INDUSTRY ASSOCIATIONS AND COALITIONS	Influence and transform business ecosystem and value chain towards more sustainable practices. We also closely monitor regulatory evolutions. Visibility, knowledge, best practices, business opportunities.	Meetings, conferences, calls, advocacy, membership, workshops.	Regenerative agriculture and Biodiversity (OP2B), Plastic (EMAF), Climate (B-Corp Climate), Regulation (IIVS, ...), Procurement, Women leadership and network.
NGOS AND NON-PROFIT ORGANIZATIONS	We undertake actions at global and local levels on projects related to our responsible sourcing activities. We are also active on issues related to sanitation, biodiversity, climate and human rights. We build relationships with NGOs for influence matter, but also to support them for philanthropic matters, globally and locally (Foundation and Fund's activities, mostly on our historical commitments : to combat avoidable blindness, empower women and protect biodiversity; but also local commitments of our affiliates around the world).	Ongoing dialogue, face-to-face meetings, representation in governance (for instance within the Foundation's board), participation to conferences, webinars, training, collaborative projects, partnerships and philanthropic support (money and products donation, mostly), common communication and valorisation operations.	Value environmental and social impact, support to rights-holders. When it comes to our philanthropic commitment, support NGOs to participate to make a change for women empowerment in Burkina Faso, fighting avoidable blindness and respecting biodiversity around the world.

GOVERNMENT	We do positive lobbying to make progress enabling conditions and get funding for our responsible agenda, at national and local levels. We monitor and participate to EU regulations to push our vision of natural and sustainable cosmetics. Our top leaders take a leadership role on the global stage to advocate for responsible business (UN ecosystem).	Ongoing dialogue, meetings, advocacy.	Our approach to regenerative agriculture, to sustainable cosmetics, business contribution to the SDGs, regulations.
YOUNG GENERATION	We take actions to understand the needs and tensions of Gen Z's as well as Boomers in order to provide them an unforgettable sensory experience through our product innovation, personalized and relevant communication and enchanting services.	Qualitative and Quantitative market research, whitespace opportunity analysis, trend analysis, Design Thinking, Test & Learn.	Meeting consumers preferences and expectations, Innovation pipeline focused on expansion potential to recruit new customers to the brand.
THE PLANET / NATURE	We are a company dependant on nature & plants to create products & services. We want to become a nature positive & Carbon Net Zero company. The Group's ambition is to measure and reduce its impacts on biodiversity and climate change, and also generate biodiversity on the equivalent of the areas impacted by its activities and contribute to carbon sinks projects with high value on biodiversity.	Reduce the impact of our value chain by developing regenerative and sustainable agriculture in the production sectors of plants used in our cosmetic products and by reducing the GHG emissions of our activities. Contribute to the preservation and regeneration of ecosystems and the increase of carbon sinks in our supply chains (forest ecosystems, regenerative agriculture, organic, etc.) and in our impact areas (ex: Indonesia). Preserving water resources - water stewardship. Reduce the impact of our activities on water (water consumption, water pollution) and preserve areas with high water issues (wetlands, etc.)	Measurement, reduction of our impact on biodiversity and climate change. Regeneration/restoration/conservation on our impact location to become nature positive and Carbon Net 0.
AFFILIATES / DISTRIBUTORS LOCAL COUNTRIES	Being a retail company with presence in 90 countries we are working with different partners in each of them, being distributors or subsidiaries. They represent the Group for local communities and for our consumers.	Discussions, regular meetings and launch progressive evaluations on sustainability performance and improvement areas to identify needs, risks and opportunities regarding social and environmental impact.	Ensure to embed our values and the corporate responsibility principles and that we manage our impact.

5. DUE DILIGENCE INFORMATION

Compliance with laws related to labour and health and safety at work

The Group complies with existing labour regulations in the countries where it operates and ensures that health and safety measures are respected across all its activities. The Group published its Code of Business Conduct in 2022, an updated version of the former Corporate Responsibility Policy issued in 2017. It covers a number of principles including health and safety at work through the protection of consumer health and industrial hygiene, as well as disease and workplace accident prevention. M&L Laboratories has developed a prevention process to safeguard health and the environment at work, by anticipating and managing risks associated to these aspects on our production sites. Both the Manosque and Lagorce sites are engaged in a safety management initiative and have received the OHSAS 18001 certification - they have shifted towards ISO 45001 since 2021, after taking a more holistic approach to safety management and business environments, audited annually by a third party.

Compliance with labour standards

Our CSR policy complies with international conventions on human rights, labour rights and environmental regulations: those include the Universal Declaration of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, ILO Conventions, the UN Guiding Principles on Business and Human Rights and the UN Conventions on the environment and human health. Our Code of Business Conduct sets out various principles that form the basis for L'OCCITANE Group's operations, in particular, related to respectful work conditions: appropriate working hours, freedom of association and right to collective bargaining, elimination of insecure employment, a culture of a diverse and inclusive workplace, the fight against discrimination, and a ban on forced labour and child labour.

Quality and safety of products

The Group's primary responsibility towards its consumers is to guarantee the safety and quality of its beauty products. To ensure this, we have put in place quality checks and a monitoring system to keep track of regulatory changes. We are tracking changes to regulations concerning ingredients and cosmetics and food products for each country or geographic region where our products are marketed. This enables us to anticipate future changes coming down the line, and thus ensure the compliance of the Group's products on an international scale. Quality inspections are carried out at each step of the product development process: from the receipt of raw materials and packaging items, through to formulation and manufacturing, right down to the finished product. During the 2022 financial year, there have been no withdrawals or recalls of products sold as a result of adverse health effects or threats to the safety of consumers.

Description of personal data protection policies

The Group and its employees undertake to keep all information obtained within the scope of their activities confidential, including personal data and information passed on by customers and suppliers, in accordance with local and international laws. Several policies set out the data protection principles and the framework that govern the way in which the Group processes personal data about individuals, including clients, digital users, employees, staff and contractors and employment candidates.

Compliance with anti-corruption regulations

In 2009 the Group adopted an Ethics Charter, and the Code of Business Conduct issued in 2022 goes even further by setting out principles for all its employees related to actions and behaviour. A dedicated Code of Ethics was established in 2019 and has been formally acknowledged by all members of the Purchasing team. During the financial year 2022, no significant legal case regarding corrupt practices was brought against the Group. Minor incidents occurred and were properly handled with appropriate actions.

Description of preventive measures and whistle-blowing procedures

The Group applies the principle of "Protecting identity and avoiding reprisals" to protect the anonymity of any person who might report wrongdoings or raise concerns. A Group Speak Up policy was implemented in 2022 to specify when, where and how employees can raise a concern about suspected misconduct without fear of retaliation. This Group policy is gradually being rolled out in all affiliates and the Audit Committee receives a report of all the cases raised.

Environmental Management

Since 2012, a voluntary ISO 14001 certification has been implemented on some of our sites. In 2019, the updated ISO 14001 certification was awarded to both M&L Laboratories' production sites, for product development, and manufacturing activities. It was also awarded to our Geneva headquarters, our Paris administrative office and all L'OCCITANE en Provence and Melvita owned stores in France. No non-compliance issues were found during this new certification process.

Emission types

M&L Laboratories' air emissions are mainly CO₂ emissions. In addition to CO₂, the emissions generated by production sites include volatile organic compounds (VOCs) and nitrogen dioxide (NO₂). Regular emission checks are carried out to ensure that the sites are compliant with regulations.

GHG emissions methodology

The GHG ("Greenhouse Gas") emissions (scope 1, 2 and 3) is calculated for the whole group L'OCCITANE and for the period from 1 April 2021 to 31 March 2022 based on all categories of the GHG Protocol:

Scope 1:

- 1.1 Stationary combustion sources;
- 1.2 Mobile combustion sources;
- 1.3 Fugitive emissions.

Scope 2:

- 2.2 Purchased electricity.

Scope 3:

- 3.1 Purchased Goods & Services (Raw material, Packaging and Merchandising) covered by PwC review;
- 3.2 Capital Goods;
- 3.3 Energy consumption covered by PwC review;
- 3.4 Upstream transportation;
- 3.5 Waste;
- 3.6 Business travel;
- 3.7 Employees commuting;
- 3.8 Upstream Leased assets;
- 3.9 Downstream transportation covered by PwC review;
- 3.10 Processing of sold products;
- 3.11 Use of sold products covered by PwC review;
- 3.12 End-of-life of sold products;
- 3.13 Downstream Leased assets covered by PwC review;
- 3.14 Franchises;
- 3.15 Investments.

The emission factors are provided by external providers (i.e. Ecoinvent mainly, BASF, ADEME and EVEA) and regularly updated/reviewed.

Renewable electricity methodology

The renewable electricity consumption is calculated for the whole group L'OCCITANE except Limelife and ELEMIS for the period from 1 January 2021 to 31 December 2021 .

Renewable electricity consumption is requested for all countries using actual values if possible (metering, invoices). Either actual values are available and therefore communicated by the countries either they are not available and in that case extrapolations are provided and documented by each country following group's guidelines. The renewable energy is either provided by green electricity providers, where possible (47% of energy consumed) or purchased via Energy Attribute Certificates (EAC) (53% of energy consumed).

Recyclability rate methodology

The reporting scope is the L'OCCITANE Group, including: L'OCCITANE in Provence, L'OCCITANE in Brazil, Melvita, Erborian and Elemis.

Limelife is excluded from the scope. The indicator is calculated for the period from 1 April 2021 to 31 March 2022.

For each brand in scope, a score card including all materials used for packaging are maintained by L'OCCITANE. Each of them is mapped as recyclable or not recyclable based on the applicable framework (Ellen Mc Arthur foundation for plastics, CITCO for other materials ex: glass, aluminium... These score-card are mapped to the stock inventory databases, SAP and VEEVA, to compute the total percentage of recyclability for materials bought during the period.

Ingredients traceability methodology

The "Plants Traceability contained in raw materials" indicator takes into account all the suppliers of M&L laboratories, representing more than 80% of the turnover of L'OCCITANE en Provence and Melvita brands. These purchases can be direct (floral waters, butters, etc.) or derivatives (vegetable oils, chemically transformed products) from 1 April 2021 to 31 Mars 2022.

Only materials from biodiversity (which contain plants) are taken into account in the indicator calculation, according to the Nagoya Protocol's definition (genetic resources from biodiversity). Thus, synthetic materials, minerals and water are not considered to be derived from biodiversity. Packaging purchases are also not part of the scope because they correspond mainly to FSC-certified cardboard and paper, guarantee of raw materials traceability.

To be noted that each raw material may contain several ingredients. For now, due to insufficient level of granularity to determine the percentage of each ingredient in a raw material, the methodology applied to calculate this indicator is as follows: if at least one plant ingredient is not traceable, the whole raw material is not taken into account in the calculation and if the raw material is composed of ingredients that are traceable plants and any other type of traceable ingredients (i.e. other than plant), the whole raw material is taken into account in the calculation.

Direct suppliers CSR performance methodology

"The direct suppliers' sustainability performance is measured by Ecovadis scoring, out of 100 for the Group L'OCCITANE as of 31 March 2022 . This indicator is used for strategic suppliers (representing a purchase volume greater than €500,000/year, regardless of their risk level and/or critical suppliers (purchase volume greater than €50,000/year with a high level of risk) excluding sustainable sectors suppliers (filiales durables) e.g. immortelle, argan, lavender which is managed internally by L'OCCITANE and audited by Ecocert. Overall, Ecovadis scoring covers around 400 suppliers.

Please refer to the EcoVadis Ratings Methodology for further details: <https://resources.ecovadis.com/ecovadis-solution-materials/ecovadis-csr-methodology-principles-overview>"



To the Board of Directors of
L'Occitane International S.A.

Independent Limited Assurance Report on a selection of Key Performance Indicators disclosed in the 2022 ESG Report

We have performed a limited assurance engagement with respect to a selection of Key Performance Indicators disclosed in the 2022 ESG Report (the "ESG Report") of L'Occitane International S.A. (the "Company" or "L'Occitane") as set out in the "Scope" section below.

Scope

The scope of our work was limited to provide limited assurance over the selected Key Performance Indicators as set out in the table attached below in Exhibit 1 (the "Selected Information").

Our assurance is with respect to the year ended 31 March 2022 information only and we have not performed any procedures with respect to other periods or any other elements included in the 2022 ESG Report and, therefore, do not express any conclusion thereon.

The Assessment Criteria

The Selected Information was prepared in accordance with certain sections of the HKEX's Environmental, Social and Governance Reporting Guide - Appendix 27 and additional methodologies defined by Company policies (together the "Assessment Criteria") for the year ending 2022, which are accompanying the KPI disclosures in the Appendix 5 of the ESG Report: "Due Diligence, Compliance and Methodology Information".

Management considers the Assessment Criteria relevant for the purpose of the Company's business and for the ultimate users of the ESG Report.

Responsibilities of the Board of Directors

The Board of Directors of the Company is responsible for:

- developing appropriate Assessment Criteria against which to assess the Selected Information and applying these consistently;
- ensuring that those Assessment Criteria are relevant and appropriate to the Company and its shareholders;
- designing, implementing and maintaining internal control procedures that provide adequate control over the preparation and presentation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- selecting and applying appropriate policies, and making estimates that are reasonable in the circumstances;

- the preparation of the Selected Information in accordance with the Assessment Criteria; and
- the retention of sufficient, appropriate records to support the reported data and assertions included in the Selected Information.

Inherent limitations

The Selected Information needs to be read and understood together with the Assessment Criteria which the Company is solely responsible for selecting and applying. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time. In addition, greenhouse gas emissions (GHG) quantification is subject to inherent uncertainty because of such things as emissions factors that are used in mathematical models to calculate emissions and the inability of those models, due to incomplete scientific knowledge and other factors, to precisely characterise under all circumstances the relationship between various inputs and the resultant emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques may result in materially different measurements.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 as adopted for Luxembourg by the CSSF and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibility of the "Réviseur d'entreprises agréé"

Our responsibility is to express a limited assurance conclusion on the Selected Information as set out in the table below based on the procedures we have performed and the evidence we have obtained. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the "International Auditing and Assurance Standards Board" (IAASB) as adopted for Luxembourg by the "Institut des Réviseurs d'Entreprises". This Standard requires that we plan and perform the assurance engagement to allow us to conclude with limited assurance that nothing has come to our attention that causes us to believe that the Selected Information has not been prepared, in all material aspects, in accordance with the Assessment Criteria.

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R.C.S. Luxembourg B 65 477 - TVA LU25482518*



A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Assessment Criteria as the basis for the preparation of the Selected Information, assessing the risks of material misstatement of the Selected Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Selected Information.

In a limited assurance engagement, the procedures vary in nature and timing and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Within the scope of our engagement, we did not perform an audit or a review on external sources of information or expert opinions, referred to in the ESG Report.

Within the scope of our limited assurance engagement, we performed, amongst others, the following procedures:

- We gained an understanding of the Selected Information and related disclosures;
- We gained an understanding of the Assessment Criteria and their suitability for the evaluation and/or measurements of the Selected Information;
- We gained an understanding of the internal control procedures in place supporting the gathering, aggregation, processing, transmittal of data and information and reporting of the Selected Information, including controls over third party information (if applicable), and performing walkthroughs to confirm our understanding;
- Based on that understanding, we assessed the risks that the Selected Information may be materially misstated and determination of the nature, timing and extent of further procedures;
- We inquired relevant Company management, personnel and third parties;
- We performed analytical procedures related to the Selected Information;
- We considered the significant estimates and judgements made by management in the preparation of the Selected Information;
- We inspected, on a selective basis, documents to verify the representations made by the management and senior management in our interviews; and
- We reviewed the presentation of the selected information and related disclosures included in the 2022 ESG Report.

Limited Assurance Conclusion

Based on the procedures we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's Selected Information for the period from 1 April 2021 to 31 March 2022 has not been prepared, in all material aspects, in accordance with the Assessment Criteria.



Restriction on Use and Distribution of our Report

Our report has been prepared for the Board of Directors of L'Occitane, and solely for the purpose of reporting to them the "Selected Information" disclosed in the ESG Report and must not be used for any other purpose. We do not accept nor assume responsibility or accept any liability to any other person for this report.

PricewaterhouseCoopers Société coopérative
Represented by

Luxembourg, 10 August 2022

Electronically signed by:
Magalie Cormier

Magalie Cormier
Réviseur d'entreprises agréé

Exhibit 1

Table of the “Selected Information”

Key Performance Indicators	Units
Corporate Social Responsibility performance of Tier 1 suppliers (Ecovadis)	/100
Traceability of the plants contained in the raw materials	%
Use of renewable electricity	%
Scope 1 emissions	tCO2eq
Scope 2 emissions	tCO2eq
Scope 3 emissions	tCO2eq
Packaging recyclability rate	%



Groupe
L'OCCITANE

L'OCCITANE
EN PROVENCE

 L'OCCITANE
AU BRÉSIL

Melitta

 **erborian**
KOREAN SKIN THERAPY

ELEMIS

 **LimeLife** by Alone