



GUERLAIN
PARIS

IN THE NAME OF BEAUTY

SUSTAINABLE DEVELOPMENT REPORT
2021 - 2022





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CONTINUING TO SHOW THE WAY AND RISE TO THE CHALLENGES OF A SUSTAINABLE WORLD

A joint interview with Véronique Courtois, CEO of Guerlain, and Yann Arthus-Bertrand, photographer, reporter, director, and President of the GoodPlanet Foundation



Fifteen years ago, the Maison Guerlain sketched out the initial outline of its responsible strategy. What is your view of the progress that has been made?

VC - Indeed, this year we celebrate our 15th anniversary of sustainable commitment. We are proud to have been pioneers on the subject. Already at the time we were aware of our responsibility as a luxury company, in a business that lacked awareness of the planetary challenges. But the world has gone through very rapid change, and the issues relating to the preservation of biodiversity, climate change, living conditions, and the respect of human well-being are still enormous. Since 1828, Nature has been inspiring us, making it possible to sustain our creations and savoir-faire. Its treasures constitute our raw materials. Today, it appears clearer than ever that we, on our own scale, must give back what Nature gives us, and that we must protect our planet's beauty. We must continue to show the way forward and address the challenges of a sustainable world.

YAB - Yes, "the world is our garden". In addition to the poetic resonance of that

statement – which is the slogan of the latest communication campaign that I created for Guerlain –, there must be a rise in awareness. If we want to be able to enjoy the breath-taking beauty of the world for a long time to come, it is now imperative and urgent to care for the earth the same way we care for our loved ones. The splendour of Nature belies a poignant fragility that, I believe, touches each and every one of us.

Can you please explain how this latest communication campaign stands as a manifesto for the Guerlain commitment, and how you, Yann Arthus-Bertrand, have accompanied the House on this project?

VC - To relaunch the emblematic Aqua Allegoria range, of which the DNA – allegories of Nature – already highlighted raw materials of natural origin and their fragrances 20 years ago, we wanted to come up with a communication campaign that would express our commitment to the environment. Especially because we had just completely reworked the entire collection, from scents to bottles. Each concentrate was reformulated with the greatest possible percentage of natural ingredients,

without compromising on the quality and duration of the fragrance. The alcohol used is taken from organic beetroot produced in the Chartres region of France. That has offered an opportunity to accompany our partners towards more sustainable agriculture. The bottle, too, was entirely redesigned to make it rechargeable and recyclable, and it is made of recycled glass. This holistic work on a perfume is perfectly emblematic of the Maison Guerlain's Sustainable Development ambitions.

YAB - A committed company must bring each of its actions into line with the values for which it stands. In the luxury sector, communication is very important, and its impact on the planet is far from insignificant. In shooting this new campaign, we had to demonstrate vigilance in limiting our carbon footprint. For example, by reusing certain images and shooting complementary footage here in France, we were able to avoid the use of high-pollution transport. In fact, no model took a plane to get to the set. The shoot was postponed so that it would take place when the flowers were in bloom, and the food for the cast and crew was prepared exclusively with organic ingredients.

How do you ensure that your global commitment is headed in the right direction? That your actions are indeed coherent with the challenges that the planet is facing?

VC - We are working with various certification organisations to frame our approach, quantify our impacts, and inform our decisions. And since 2021, thirteen multidisciplinary experts have been selected to form a Sustainable Board to accompany us. Their mission is to guide us in our progress and interact on our issues, each in their respective field of expertise. Yann agreed to be the Honorary President of the committee.

YAB - Since 2020, the Maison Guerlain has been a partner of the GoodPlanet Foundation, which I founded in 2005. Together, we came up with a programme to raise awareness among the younger generations on the issues relating to the protection of bees, a theme that has been central to Guerlain's commitment for many years. It was therefore only natural that, in return, I agreed to accompany them in their considerations, particularly in their actions in favour of protecting biodiversity, a subject that is particularly important to me. My family and I have just purchased 30 hectares in the Millière Valley to turn it into a natural biodiversity reserve. Our objective is to rewild this unique space without human intervention. At the FIAC, Guerlain held an auction of certified digital artwork NFTs which raised funds to support a "laboratory garden" project aiming to experiment with techniques of regenerative agriculture that respect all forms of life on a 1.5-hectare area of land. I'd like to take this opportunity to thank Guerlain for its support and loyalty!

What are other remarkable Sustainable Development projects in which the Maison Guerlain is fully invested?

VC - The Maison Guerlain firmly intends to rise to the climate challenge by considerably reducing its footprint. The objective we have set is carbon neutrality across all our scopes (1, 2 & 3) by 2030. That's an ambitious project, but we believe that it is realistic, if we can manage to bring our partners and service providers on board along the way. Transports represent the main contributing component to our greenhouse gas emissions. It is imperative that we reconsider our air/sea ratio.

We have also ramped up our commitments in favour of the preservation of biodiversity and more particularly around the bee cause. We continuously make efforts to raise awareness on the importance of this "sentinel of the environment" in the balance and well-being of our ecosystems. It is fundamental to pass along this message to as many people as possible, as early in their lives as possible.

In fact, I would like to highlight the involvement of our R&D teams in the sustainable innovation of both formulas and packaging, striving to make them ever more natural and sustainable. That is a real challenge that requires considerable commitment and involvement.

We have also established various in-house initiatives, and in particular on the subject of disabled employees. For example, by 2025, eight young autistic adults will be integrated into our production workshops. The success of these initial recruitments has brought our teams a different view of

disability. It has had a true impact on the pride of belonging to the company.

What is your hope for the Maison Guerlain in the next 15 years in terms of Sustainable Development?

VC - I hope that we will continue to embrace our approach, in a global and systemic way, across our four pillars: preserve biodiversity, innovate sustainably, act for the climate and create a positive social impact. In the last two years, we have redoubled our efforts to follow through on our ambitious responsible strategy and maintain our objectives despite the upheaval brought about by the pandemic. The teams have shown so much commitment and talent, and I believe in the power of individual involvement to carry forward a common interest: that of creating a more responsible, more cooperative world. The luxury world must continue to appeal to people's imaginations, sustainably.



Cécile LOCHARD
Guerlain Chief Sustainability Officer

15 YEARS OF SUSTAINABLE COMMITMENT IN THE NAME OF BEAUTY



Fifteen years ago, Guerlain committed to an ambitious responsible strategy. That might appear insignificant in light of the House's nearly 200 years of existence, but it is actually quite a bit if you consider that Corporate Social Responsibility (CSR) awareness in businesses, and in particular in the luxury business, appeared much later on. **Fifteen years ago, the Maison Guerlain was a pioneer in the subject. And these two years offered us an opportunity to take a big step forward.**

We rallied all our energy and got all our expertise and savoir-faire involved in pursuing new projects such as those relevant to sustainable innovation. Thanks to persistence of our teams, we have succeeded in developing more natural and more sustainable formulas, conceiving more respectful packaging, and more transparently tracing the origins of our raw materials through the "Bee Respect" traceability platform. Since we wish to have a real impact, the Sustainable Development subject must first be approached in a holistic way, from raw materials to the end of each product life cycle, not to mention continuous improvement for formulas and packaging. **The House established a partnership with the Union for Ethical BioTrade (UEBT) in 2021** to pursue that same objective. By aiming to certify our 40 most emblematic natural ingredient sourcing channels by 2026, we are committed to an ambitious approach to globally transforming the way that we work with our providers.

This year, the Maison Guerlain also became the pilot company at LVMH in terms of sustainable communication. We have developed exacting directives aiming to quantify and reduce the impact of our advertising campaigns in terms of greenhouse gas emissions. As a first step, the Aqua Allegoria campaign that Yann Arthus-Bertrand directed demonstrated a greatly reduced carbon impact.

Ever keeping in mind the Raison d'Être that we began to implement in late 2020, we have been pursuing our commitment to the preservation and transmission of the wonders of Nature through the continuous reinforcement of the **"Guerlain for Bees Conservation Programme"**, which currently includes 10 significant partnerships and initiatives such as the all-female beekeeping entrepreneurship programme in partnership with UNESCO called **"Women for Bees"**. The reiteration of the fundraising campaign held for **"World Bee Day"**, which raised one million euros in 2021, and the creation of an exacting **Sustainable Board**, are other demonstrations of how determined our approach truly is.

There are more challenges ahead, and we will face each one thanks to the involvement of our teams. Each individual shares the same concern, contributing to the Sustainable Development of our House in their own way and with their own field.



IN THE NAME OF BEAUTY

GUERLAIN COMMITS AND ACTS



(1) The Guerlain programme for the preservation of bees

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HIGHLIGHTS SINCE OUR LAST REPORT

SEPTEMBER 2021:

The Science Based Targets initiative (SBTi) approves the House's commitment to reduce its greenhouse gas (GHG) emissions. The House's objectives are now in line with the Paris Agreement, which aims to limit global warming to 1.5 °C above pre-industrial levels (p.70).



MARCH 2022:

Guerlain reinvents its emblematic perfume collection, Aqua Allegoria, with three strong features: each fragrance contains 90 to 95% ingredients of natural origin, the alcohol each one contains is exclusively taken from organic beetroot grown in France, and the bottle has been entirely overhauled through eco-design (p.44).

For the launch of its new Aqua Allegoria collection, Guerlain presents an ecologically committed communication campaign in collaboration with Yann Arthus-Bertrand (p.46).

Late September 2021:

Relocation of the Headquarters to the La Samaritaine premises (p.73).

November 2021:

Guerlain enters the "Cercle Art & Écologie" of Palais de Tokyo and reinforces its commitment to contemporary artistic creation (p.84).

2021:

- Establishment of a health, safety and well-being charter.
- Guerlain renews its partnership with the TianZi Natural Reserve for another 10 years, contributing to the restoration of the natural habitat of its endemic orchids and the development of the local economy (p.31).

February 2022:

The House launches a new "Women for Bees" edition in Cambodia in a partnership with UNESCO-MAB and the Maddox Jolie-Pitt (MJP) Foundation. Through this training programme, 11 up-and-coming beekeepers will acquire the knowledge and abilities required to establish and manage a sustainable apiary exploitation (p.78).

15 February 2022:

Launch of "The wellness", the House's first programme dedicated to the well-being and fitness of all its employees.

Late March 2022:

Accreditation of Guerlain by the FAIRe programme, created by the Union des Marques (p.47).

April 2022:

Guerlain agrees to sponsor the Association of the Millière Valley, chaired by Yann Arthus-Bertrand, to restore the ecosystems of the Millière Valley and raise the general public's awareness of the challenges of Sustainable Development (p.32).

20 to 22 May 2022:

For "World Bee Day", Guerlain organises an international operation for the second consecutive year, aiming to raise up to one million euros for the benefit of the "Guerlain For Bees Conservation Programme", and getting communities – and more broadly the general public – involved. The House collaborates with the artist Tomáš Libertíny to create a limited edition and the campaign visual (p.57).

2022:

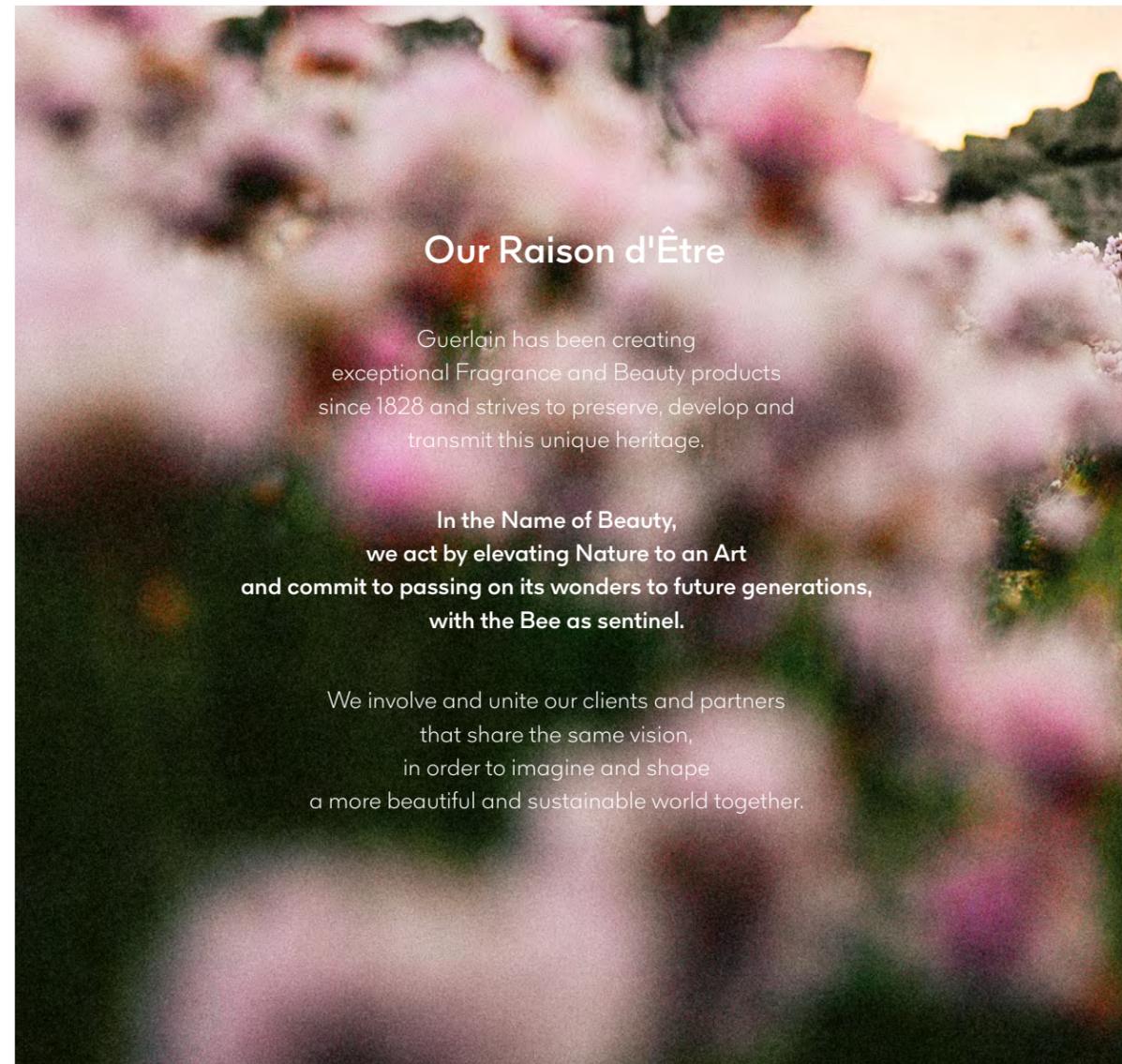
- Guerlain Italy joins forces with CONAPI, an Italian beekeeping cooperative and that country's foremost honey producer, for a new local project with the objective of raising awareness among schoolchildren and training underprivileged women in the beekeeping profession (p.34).
- Guerlain relaunches its iconic Orchidée Impériale cream, again improving the eco-design of its packaging (p.50).
- Guerlain begins to develop the project of a "recycling bar" at its points of sale, which will emerge in early 2023 (p.53).
- Guerlain agrees to support agricultural projects for GHG emissions reductions with the France Carbon Agri Association (FCAA) (p.68).

IN THE NAME OF BEAUTY, OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT



Nature has been our inspiration since 1828 and for fifteen years, we have placed its conservation at the heart of all that we do. Dedicated to preserving this inestimable heritage, the Maison Guerlain commits to passing on its wonders to future generations, with the bee as its sentinel. In 2007, it formalised this pioneering commitment, In the Name of Beauty. Guided by the bee, its long-standing symbol,

Guerlain takes concrete action across the world to preserve biodiversity, innovate sustainably, act for the climate and create a positive social impact. For the fifteenth anniversary of its commitment "In the Name of Beauty", the resolutely future-oriented House reaffirms its determination to carry the ethical alliance of luxury and sustainable development toward ever greater heights.



Our Raison d'Être

Guerlain has been creating exceptional Fragrance and Beauty products since 1828 and strives to preserve, develop and transmit this unique heritage.

**In the Name of Beauty,
we act by elevating Nature to an Art
and commit to passing on its wonders to future generations,
with the Bee as sentinel.**

We involve and unite our clients and partners that share the same vision, in order to imagine and shape a more beautiful and sustainable world together.

FOUR PILLARS TO DEMONSTRATE OUR COMMITMENTS





H el ene VALADE

Environmental Development Director of the LVMH Group

GUERLAIN, A MODEL HOUSE WITHIN THE LVMH GROUP IN TERMS OF COMMITMENT



LIFE 360 was unveiled at the LVMH General Assembly in April 2021. An integral part of the Group's governance, this new environmental compass for the three, six and ten years to come demonstrates a strong ambition: to create the products that secure a new alliance between LVMH and Nature, and that make a positive contribution to biodiversity and the climate to establish the outline of New Luxury. In 2021, LIFE 360 delivered the first results that were up to expectations, and the Group's Houses seized upon this framework for action to shape their work in combining Nature with their desirability. H el ene Valade reviews the commitment of Guerlain as part of the Group's global dynamic.

Guerlain is a pilot House for several of the Group's projects. Among the House's actions, what are those that particularly inspire LVMH?

There are a number of those, but I will focus on two. The first is Guerlain's involvement in developing considerations for the AGEC law application decree for a circular economy prohibiting the destruction of unsold stocks. V eronique Courtois and her teams have established – and actively coordinate – work groups involving participants from the different Houses in order to co-construct an operational strategy. This is an important area of work that is beginning to show positive results, and I am delighted to contribute to it.

Guerlain has also been chosen to lead the Group's inter-House project regarding ethical communication and publicity. Notably, the House has actively worked to determine quantification criteria, and to select dissemination supports and the means for their production and for content creation... While getting its service providers involved through a continued improvement process.

I would also like to acknowledge the SBTi's approval of the House's 2030 carbon trajectory throughout its three scopes. This step forward is made even more remarkable by the fact that its approval is difficult to obtain.

Guerlain's commitment in favour of biodiversity requires no introduction. What initiatives do you consider particularly impactful?

Guerlain serves two types of customers: its clients, in the traditional sense of the term; and Nature. All Guerlain products borrow from Nature. It is therefore a necessity for the House to give back to Nature for what it has given: that is stated in our Raison d' tre. This is one of Guerlain's priorities, based on the actions that it has implemented through its sourcing channels, as demonstrated through the work performed with the UEBT beginning in 2021 that has already enabled the evaluation of 18 sourcing channels.

Guerlain has provided training both internally and externally, enabling the House to optimise the impact of its commitments by raising awareness among as many people as possible on the subject of biodiversity

and by informing them of what can be done to protect it.

I would also like to emphasise Guerlain's talent in implementing its projects through holistic approaches. For example, the programme providing training for beekeepers serves both the environmental cause and that of female leadership; the UEBT certification process makes it possible to engender positive actions for soil protection, and therefore the capacity of soil to stock carbon, while also offering benefits for local communities.

You speak of "New Luxury", drawing a parallel with Art Nouveau. Can you tell us a bit more about what "New Luxury" entails?

I am obsessed by the fact that we have reached the end of the Anthropocene, the undisputed reign of Man over Nature. It is time to rebalance and reconsider the natural living world, placing it on the same level of importance as the human world, without one dominating the other.

That is what we determined in our "360" as "New Luxury". The term is a nod to Art Nouveau, which arose from a post-Revolution industrial observation that Nature

needed to be reintroduced into Art. In a way, luxury is a child of the Anthropocene, since it places the focus on savoir-faire, creativity and artistic genius.

However, today's world needs to establish a more harmonious relationship with Nature. That is what New Luxury is about: having a more balanced relationship with Nature, caring for it, and cherishing it! And we show it love by helping to regenerate it and highlighting it in our formulas. Because all the LVMH Group's products come from Nature: champagne comes from grapes, handbags come from leather, and perfumes come from plants.

Perhaps the creative minds who are most keenly aware of that are perfumers, who enjoy a more discreet position that allows them to act as guardians of Nature.

I like to think of us as farmers, ranchers, creators and artists, all wrapped up in one.

There are considerable obstacles to sustainable luxury, and particularly the omnipresence of plastic and the issues of excessive packaging. How is Guerlain, and more globally the LVMH Group, addressing these various subjects?

There is indeed a real issue that needs to be dealt with concerning fossil (oil-based) plastic, and the R&D teams are actively working to do so.

That requires long-term work, since it is necessary to find alternative materials that

not only pollute less but also uphold the protective and aesthetic qualities that people expect. Considering the immense challenge that this represents, the Group must tackle it with innovation. The Maison Guerlain, like other Houses, will be brought on-board into innovative programmes on the subject.

As you said, it is easier to make progress as a small company. How can you guarantee the environmental progress of a century-old House like Guerlain in an economy where small businesses and "CSR Native" brands are emerging with approaches that have been completely different from the beginning?

There are two key success factors at Guerlain which make it possible to maintain its head start:

- The leadership of the CEO, V eronique Courtois, exemplifies the voluntary spirit that makes it possible for Guerlain to move forwards on these subjects, even though it is a large, old House. This policy is carried in a sincere, coherent, disciplined way.
- The culture of impact has become a true reflex at Guerlain. Guerlain strives to especially those of communication. Thus Guerlain is inventing a new communication style that honours the importance of what Nature gives us and the necessity of protecting it in turn.

In many major corporations, everything is so processed that it is difficult to make change without calling those processes into ques-

AN INSPIRING "MADE IN LVMH" MODEL

LIFE 360 establishes a framework for the Group's ambitions, which each House will integrate into its own approach according to three areas and four ambitious strategic plans. Each one presents objectives with time frames and figures that you may consult on the LVMH website.

CREATING PRODUCTS IN HARMONY WITH NATURE

- Strategic plan 1 • Creative circularity, particularly prohibiting the use of virgin plastic by 2026 and integrating circular plastic techniques such as upcycling, reuse, repair, etc.
- Strategic plan 2 • Exacting traceability, for example by implementing a traceability system entirely dedicated to our strategic sourcing channels by 2030...

CARING FOR ECO-SYSTEMS

- Strategic plan 3 • Biodiversity, which means not only preserving but also regenerating natural habitats through the certification of 100 % of our strategic raw materials, or through regenerating agricultural projects, for example.
- Strategic plan 4 • The climate, with ambitious objectives such as the 50% reduction of greenhouse gas emissions arising from the energy consumption of our sites and Boutiques by 2026 (compared to 2019), a 100% renewable energy policy, and so on.

GETTING STAKEHOLDERS INVOLVED

This is a key to success to attain our objectives, and we will achieve it by raising awareness, providing training, and getting our employees, clients and providers – whom we consider our partners – involved.



IN THE NAME OF BEAUTY

GUERLAIN COMMITS AND ACTS

- Dissemination of our **Raison d'Être** (2020)
- The "Ethical Committee" (2018) becomes the **Sustainable Board** (2021) with 13 international experts in charge of challenging the actions of Guerlain
- The House becomes a pilot project in **responsible communication** for LVMH

SUSTAINABLE SOURCING CHANNELS

Member of the UEBT (since 2021): A two-year audit, 4 of 18 sourcing channels already evaluated at the "Responsibly Sourced" level

2026 100% of 40 iconic sourcing channels UEBT-certified

2021 **WORLD BEE DAY:** 1 million euros raised for the "Guerlain for Bees Conservation Programme" (p.36)

BEES PROTECTED. REPOPULATED.

"Guerlain for Bees Conservation Programme" (created in 2011): 10 partnerships & initiatives in 2022 (p.34)
IUCN partnership (since 2020): Establish the Red List of Threatened Species of wild bees in France, the most reliable scientific reference document for the understanding of threats to biodiversity

2025 125 million bees repopulated

WOMEN FOR BEES WITH UNESCO

An entrepreneurship programme for women, with Angelina Jolie as the Godmother for the cohorts of 2021 and 2022 (p.78)

2025 50 women beekeepers trained in apiculture techniques & management

2025 100% employees involved

BEE SCHOOL WITH THE ELYX FOUNDATION, THE OFA, THE IUCN, THE UNESCO

Nearly 10,000 children taught since 2018
• 3,700 employees participating, trained in digital technology since 2020
• New version (2021): international (5 countries), 5 versions adapted according to age

ILLNESS CONFRONTING IT WITH DIGNITY & TRUST

Partner of: **Cosmetic Executive Women** (since 1992), **belle & bien** since 2004 • Sponsor for 8th time of **Dîner des Maisons Engagées** (LVMH) to support research against sickle cell anaemia

ART & SD PROMOTING MORE ETHICAL ART

"Cercle Art & Écologie" at the Palais de Tokyo for more ethical art • **NFT & FIAC GREEN:** commission of four certified NFTs that are original digital artworks (proceeds go to GoodPlanet)

INCLUSION HIGHLIGHTING TALENTS

Support to the **Montfermeil Fashion Show** for 12 years

BIODIVERSITY

PRESERVING BIODIVERSITY AND PROTECTING BEES

SOCIETAL

CREATING A POSITIVE SOCIAL IMPACT WHILE SAFEGUARDING THE WONDERS OF NATURE

- ACHIEVEMENTS
- AMBITIONS



Aqua Allegoria, spearheading the sustainable innovation approach of Guerlain in fragrances: packaging eco-design (15% in recycled glass), eco-formulation (up to 95% natural), the use of alcohol from French-grown organic beetroot, refillable bottles, and communication with a low environmental impact (p.44)

TRANSPARENCY

The "Bee Respect" platform (2019) is extended to Italy, Germany, Spain (2021), and Asia (2022)

LATE 2022

100% of our creations are traceable on "Bee Respect" (except for limited editions)

CIRCULAR ECONOMY DESTINATION

- Recycling:** such as Terracotta cases with Sephora and CEDRE (300 kg), and "recycling bars"
- Refillability:** 100% of the fragrances since 2018 (the Abeilles bottle, then L'Art & la Matière and Aqua Allegoria)
- Reuse of materials:** consistently between 10 and 25% recycled glass, progressive replacement of fossil plastic
- Ecomaterials:** remnants from our production (formulas or packaging) for example
- Upcycling:** Collectors' lipstick cases, the "Bee Garden" elements
- StartUps:** OASHE, NONA Source
- In-house circular economy project**

ECO-DESIGN

DESIRABLE & SUSTAINABLE (5R / EPI / CO₂ INDEX)

10 LCAs conducted (2020-2022)
Lighter PACKAGING (up to -60% for Orchidée Impériale for ex.), **replaced** by cardboard packs (e-gift set), **reusable, in recycled materials** (1st package in 88% recycled plastic)
BEE-CONCEPT RETAIL new point-of-sale concepts

END 2023

100% of new glass jars or bottles include a recycled portion

END 2026

Zero fossil plastic

INNOVATION

INNOVATING SUSTAINABLY IN FULL TRANSPARENCY

ECO-FORMULATION

NATURAL & SUSTAINABLE EFFECTIVE, WITH SENSORY APPEAL (IFE INDEX)

Ever greater proportions of natural ingredients: launch of 17 flagship products with 90% **natural** ingredients **-65% volatile silicones** (2017>21)
Key raw materials are **organic** (vanilla, wheat alcohol, etc.)

2021

minimum 90% ingredients of natural origin for 100% of our new skincare formulas

END 2023

100% of innovations free of volatile silicone
• 90% of new formulas free of microplastics⁽²⁾ (100% in 2024)

END 2025

100% product innovations show an improved environmental profile vs previous version

CLIMATE

ACTING FOR THE CLIMATE AND REDUCING OUR FOOTPRINT

TRANSPORTS

54% OF TOTAL IMPACT

of which 99% concern air freight:
Use of **sea freight** whenever possible
• Automatic use of the means of transport with the lowest impact • **Railway tests** (Europe / Asia) + **Bumblebee** (since 2013)

CARBON NEUTRALITY ACROSS THREE SCOPES

Climate strategy in 10 points SBTi-approved reduction objectives across the three scopes

2023 2030

- Scopes 1 & 2 in 2023
- Scope 3 in 2030
- Sequestration & prevention of residual emissions

BUILDINGS

"La Ruche": HEQ, 100% biogas & green electricity since July 2021 (footprint reduced by 92%) • **New headquarters at La Samaritaine**, Gold level BREEAM LEED "core & shell"

END 2022

100% of our sourcing channels (23 in total) certified ISO 14001 (56% of them are today)

(2) Based on the definition proposed by ECHA in January 2019, work in progress before definitive adoption

THE GUERLAIN SUSTAINABLE BOARD. 13 MULTI-DISCIPLINARY EXPERTS TO CARRY OUR RESPONSIBLE AMBITIONS FURTHER FORWARD



Formed in 2021, the Sustainable Board includes 13 experts in specialisations pertinent to the various challenges of Guerlain's House in terms of Sustainable Development.

It offers a forward-looking consideration for the development of issues: new challenges and also new solutions.

Concretely, this Sustainable Board is tasked with:

- **sharing** the priorities of their sectors with us
- **determining** emerging subjects
- **validating** whether we are addressing them in a transparent, fair, well-proportioned way
- **co-constructing** the various environmental and social themes with us
- **providing** opinions, recommendations and advice on the current or upcoming actions of Guerlain, freely and independently.

This year, the Sustainable Board met twice to conduct forward-looking consideration. In particular, they performed a critical review of our Sustainable Development report and proposed areas for improvement. They also proposed various themes to delve further into to ensure that we are taking a visionary approach to our challenges.

Moreover, work sessions were organised to develop the respective areas of expertise of the members of the Sustainable Board.

Thus the Millière Valley project came about with Yann ARTHUS-BERTRAND; the participation in the Grand Défi ("Great Challenge") with Virginie RAISSON-VICTOR; a consideration of lower-impact NFTs with Jacques André FINES-SCHLUMBERGER; work towards getting our sustainable supply chains audited by the UEBT with Rik KUTSCH LOJENGA; the participation in the Oasis Nature of the French Biodiversity Agency (OFB) with Sandrine BÉLIER; research tracking insects and the wild bee with Nirmala SÉON-MASSIN and Sébastien MONCORPS; ethical art and responsible communication with Alice AUDOUIN; and the development of our formulas with Candice COLIN.



© Yann Arthus-Bertrand

Yann ARTHUS-BERTRAND

Photographer, reporter, filmmaker and President of the GoodPlanet Foundation & Honorary President of Guerlain's Sustainable Board

Marie-Sarah ADENIS

Co-founder of the Pili biotechnology company

Alice AUDOUIN

President of the Art of Change 21 association

Sandrine BÉLIER

Executive Director of the France-based Humanity and Biodiversity association and Vice President of the French Biodiversity Agency (OFB)

Candice COLIN

CEO & Co-Founder of Beautylic and Clean Beauty

Thierry DUFRESNE

Founder and President of the French Observatory of Apidology (OFA)

Jacques-André FINES-SCHLUMBERGER

PhD researcher, lecturer in the "Mobile Technologies" and "Blockchain" courses within the Digital Practices, Innovation and Communication (UNIC) master's program at Paris 2 Panthéon-Assas University, and Director of the Blockchain for Good association

Rik KUTSCH LOJENGA

Union for Ethical BioTrade (UEBT) Executive Director

Sébastien MONCORPS

Ecologist and Director of the French Committee of the International Union for Conservation of Nature (IUCN)

Fanny PICARD

Founder of Alter Equity (Impact Investing) and Vice President of the Steering Committee of the Mozaik RH Foundation

Mohamed RAGOUBI

Research professor in materials science, physics and processes, and Head of Research Promotion at UniLaSalle-Mont Saint Aignan

Virginie RAISSON-VICTOR

Geopolitical scientist, President of Lépac (Laboratory of Prospective Studies and Cartographic Analysis), co-initiator of Convention21 and President of IPCC Pays-de-la-Loire

Nirmala SÉON-MASSIN

Director of Expertise at the French National Museum of Natural History

Nirmala SÉON-MASSIN

Director of Expertise at the French National Museum of Natural History

"Guerlain is truly becoming aware of what biodiversity is, what challenges it faces, and what interdependences it entails with various ecosystems..."

Guerlain is making great efforts to contribute to the protection of biodiversity: "Women for Bees", the certification of its sourcing channels (UEBT), new partnerships, its laboratory garden...

How do you perceive the actions that the company is taking?

Guerlain is truly becoming aware of what biodiversity is, what challenges it faces, and what interdependences it entails with various ecosystems as a whole. Mingled with biodiversity issues are those that affect local populations. These must also be central to any approach to conservation and the sustainable use of resources. Guerlain is taking a rather systemic approach to its sourcing channels, which it integrates into the various processes of the company and its actions, which appear to be established in the long-term. For that, the company is rather remarkable and ahead of its time.

The protection of the Bee constitutes one of the principal areas for the brand's commitment, and it has been for several years now. Why is this a particularly important combat, in your view?

Insects as a whole are one of the most important groups in terms of biomass and biodiversity. They play an essential role in ecosystems. Paradoxically, they are often lesser-known, and indeed less beloved, than certain more spectacular animals.

Based on the symbol of the Bee, Guerlain has undertaken a true approach to broadening its field of action, reaching beyond the domestic Bee and considering what the insect represents as a wild pollination group. Preserving these wild species has a much greater impact than setting up a few beehives on rooftops. And Guerlain has clearly understood that.

Guerlain is the sponsor partner of the SPIPOLL programme for the photographic tracking of pollinating insects. Can you tell us more about this initiative?

Thanks to Guerlain, we are developing the various features of a participative sciences programme aiming to track the evolutions of pollinating insects in relation to plant species and thus to better understand the complexity of pollination networks. The SPIPOLL makes it possible to advance research on the one hand, and to better understand the very interesting world of insects through civil involvement on the other hand.

The three-year sponsorship that Guerlain has established is supporting us in several ways. We are working on an artificial intelligence aiming to recognise insects based on photos. We are developing versions of SPIPOLL in several languages in order to roll out the programme to our neighbours beyond the borders of French-speaking countries. We are creating interactive software making it possible to better exploit the database that is being constituted. These are massive projects that confirm the programme's success.

Fanny PICARD

Founder of Alter Equity (Impact Investing) and Vice President of the Steering Committee of the Mozaik RH Foundation

"Sustainable Development, by its nature, is a type of development that respects collective interests. We respect collective interests when we respect the planet, by refusing to abuse of its resources, and by fostering the regeneration of what can still be regenerated."

What is your analysis of the notion of the "collective approach" essential to any company, and of which the characteristics have somewhat evolved over recent years?

Today, the community as such is disappearing. Our elders were born into a world in which the country was a meaningful type of collective. Often, in the past, the religious community was also a collective of reference. In today's world, the collective has changed in its nature and dimension. Today, the community is defined as the family, the social network, or the town or city in which we live. But we completely underestimate how large our ultimate community truly is: the fact that we all, as humans, all form a collective concerned by exactly the same things. It is in our best interest to maintain pleasant living conditions on the planet through the combat against climate change, the exhaustion of biodiversity, and other environmental crises. Companies also form collectives to which employees become attached, and to which they make a considerable contribution. Working on that attachment seems fundamental to me.

What form might that take? What are the means available to a company to (re-)establish, reinforce, and consolidate the collective that it represents?

Most importantly, by basing their approach on the values of respect, kindness towards others, career development guidance, the

quality of work conditions, equal opportunities and the promotion of diversity, and systems that improve well-being at the workplace; and many companies like Guerlain are developing those. It is time to get away from a power struggle and bring meaning back to the work of every individual. Not just through the quality of the product or service being marketed, but also in the corporate culture through its relationship with employees. Employees should not be afraid: they should feel supported, guided, and able to trust their employer.

How do you tie in this concept of the company as a collective with that of Sustainable Development? How is the first essential to the second in creating the conditions necessary for its success?

Sustainable Development, by its nature, is a type of development that respects collective interests. We respect collective interests when we respect the planet, by refusing to abuse of its resources, and by fostering the regeneration of what can still be regenerated. But also by constructing a professional context that offers each person the opportunity to develop and be fulfilled while remaining realistic and including the limitations of corporate efficiency. To do so, employees need to claim the company's challenges for themselves in every way. That way, they are able to carry forward its values and accompany its transformation. Thus a trusting virtuous circle can be established between the company and its employees. It consists of mutual responsibility, employment involvement with regard to the collective, corporate attention to the professional development of the employees, and a fair distribution of the financial value being generated. It is not an impossible Utopia. That model is perfectly attainable. It is a model for tomorrow's employers, and of certain pioneers such as Guerlain.

Candice COLIN

CEO & Co-founder of Beautylitic and Clean Beauty

"Together we are conducting an enormous project of exacting reformulation. It is difficult, but it is very interesting, and it demonstrates Guerlain's courage to bring its offer into line with its values."

As a recognised expert of "Clean Beauty", you have been accompanying Guerlain in its eco-formulation approach for several years now. In what way is the company's commitment remarkable?

While almost all companies in today's world are converging towards the necessity of transforming their product portfolio, that was not at all the case four years ago when we launched the Clean Beauty application. Guerlain's concept of bringing us into their consideration process was therefore a very bold step at the time. I immediately sensed that their intention was to undertake a true transformation. I knew that it would take time, but it always seemed very sincere. Together we are conducting an enormous project of exacting reformulation. It is difficult, but it is very interesting, and it demonstrates Guerlain's courage to bring its offer into line with its values.

Among the recent transformations tending towards more natural products, what are the product developments that you consider worth noting?

Of course I think of Terracotta bronzing powder, one of the brand's emblematic products that has been reformulated with 96% ingre-

dients of natural origin. It took the Guerlain R&D teams years of research and screening to discover which natural powders would offer a similar result as the former version: that light veil of colour that clients love so much. I also think of KissKiss Shine Bloom lip-tick, containing 95% ingredients of natural origin, which makes no compromise in terms of sensory attributes or performance. That is indeed the difficulty: managing to combine natural ingredients with effectiveness and sensory enjoyment so that the consumer who is loyal to the product will not be disappointed with its new version. For a brand like Guerlain, which has been around for more than 200 years, this exercise in transformation is, of course, much more difficult than for a young, "natural native" brand.

Is "natural beauty" the future of sustainable cosmetics?

By turning its back on the petrochemical industry, "natural beauty" is the first step on the transformation that will be necessary for cosmetics. Today it is essential. However, we must consider the issue of our consumption of natural resources along the way, since we must not destroy what we are endeavouring to protect. That is an enormous challenge. Generally speaking, it is a matter of green chemistry. Green chemistry is mindful of health and the environment, even more than natural ingredients, which are not enough and cannot ensure true "sustainable beauty" on their own. I will continue to challenge Guerlain on this point in the future.

Virginie RAISSON-VICTOR

Geopolitical scientist, President of Lépac (Laboratory of Prospective Studies and Cartographic Analysis), co-initiator of Convention21 and President of IPCC Pays-de-la-Loire

"The actions that Guerlain is conducting in favour of biodiversity are also contributing to its carbon reduction strategy. The regeneration of natural species, for example, is helping to increase its carbon sink."

How do you analyse the current relationship between the corporate world and climate challenges? In your opinion, does Guerlain fully grasp these challenges?

Of course it is a complex subject, but no company can avoid taking a position on it in today's world. That's because the pandemic, IPCC reports, new regulations, and the demands made on young graduates all require companies to provide clear answers to the challenges they raise. From this point of view, the Guerlain company is a model.

For some time now, the House has been taking eco-design approaches to its new products and sites: restraint in the usage and selection of materials, designing refillable bottles, making technological innovations to reduce its carbon footprint, and so on. In fact, Guerlain could very well stand as a model for both the cosmetics sector and the luxury sector.

It also has the ambition to quickly achieve carbon neutrality. However, that is a complex challenge, since the transport of products represents the largest portion of its footprint. While slower means of transport such as shipping offer an area for exploration, they also require the company to reconsider its logistics chain. That's a huge challenge.

The company is also conducting remarkable work in favour of biodiversity.

How does Guerlain's commitment to biodiversity have a direct impact on the climate?

While climate change has an effect on life, biodiversity can help us to combat that change. The two subjects go hand-in-hand. Thus the actions that Guerlain is conducting in favour of biodiversity are also contributing to its carbon reduction strategy. The regeneration of natural species, for example, is helping to increase its carbon sink. And stocking carbon is an essential way to absorb incompressible residual emissions. That means that Guerlain could even go on to set an objective for a positive carbon footprint.

Would you please tell us about the initiative that you launched, the Grand Défi ("Great Challenge")? How far along are you in establishing it? How is Guerlain participating in that initiative?

The Grand Défi is a process that reaches out to companies large and small, so that they may work together to develop models for economic prosperity that are sustainable for all the stakeholders in their ecosystems. To reach this objective, three steps are necessary.

The Grande Consultation ("Great Consultation") provides a view of a company's ecological transition; the Grande Délibération ("Great Deliberation") will lead 150 randomly drawn companies to develop 100 concrete proposals;

and the Grande Diffusion ("Great Dissemination") will consist of bringing those proposals into the economic, political and academic spheres. As sponsor for this initiative, Guerlain will certainly be a mighty standard-bearer for the luxury sector.



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BIODIVERSITY

ELEPHANTS AT MERU PARK (KENYA)

As this park was being restored, over a seven-year period from 2002 to 2008, the populations of its various species stabilised, from the black or white rhinoceros to the elephant, of which the population had dropped by at least 60% in 50 years according to the International Union for Conservation of Nature (IUCN).

According to the latest Red List, a worldwide inventory of the global state of conservation of plant and animal species, 40,084 species are endangered among the 142,577 studied.

THE VIEW OF Usbek & Rica

FINDING OUR PLACE

The history of human society is built on an age-old fable: that Homo Sapiens is the king of animals. Believing himself to be superior, he wields his power over the world of the Living, using his peers as he sees fit. He cuts trees, gathers fruit, eats the meat of animals, drinks the water from the rivers, and places ten million other species in the service of a single one: his own. The reason his status has gone so quickly from "great ape" to "Master of the Earth" is because Homo Sapiens knows how to rally around stories told to all, and to take action collectively, motivated by shared myths⁽¹⁾.

Although he thought himself almighty for centuries, Homo Sapiens never realised how much of an effect he was having. Decade after decade, he rose to the position of a geological force capable of modifying the very nature of his home, Earth, more quickly and more powerfully than what we traditionally consider to be geophysical forces. Without fully realising it, he threw the world into the Anthropocene, an unprecedented geological epoch during which Man's history has impacted that of the Earth.

In real life, as in the fables of Jean de La Fontaine, every tale has its moral.

Like the great and mighty Lion who was saved by the small and clever Rat, Man is beginning to understand that he should respect the ones he has always considered his inferiors. After all, if Homo Sapiens disappears from the living world, that world will not cease to exist. However, the opposite is not necessarily true: without bees, 84% of human agriculture will not be pollinated; without the oceans, the temperature of the coastal regions will plummet, and oxygen will grow thin; without the great predators, the entire food chain will be thrown off-balance.

Today, Homo Sapiens is weaving new tales, and the threads are finally beginning to turn to the future. We are finally inventing new ways of living in the world that makes it possible to build without destruction and consume without depletion. As one species among many others, Homo Sapiens has understood that he must sow if he wishes to continue to reap. His future is guided by a new cosmo-courtesy⁽²⁾: to give as much as he receives, and to show decency to his fellow living beings.

(1) Yuval Noah Harari, *Sapiens*

(2) Baptiste Morizot



PRESERVING BIODIVERSITY AND PROTECTING BEES



TO GIVE BACK TO NATURE VIA THE SUSTAINABLE SOURCING OF OUR ICONIC INGREDIENTS AND THE "GUERLAIN FOR BEES CONSERVATION PROGRAMME".

Biodiversity is at the heart of our creations. And the Bee, the sentinel of the environment, is at the heart of biodiversity: without Nature's wonders and the quality of the ingredients that it offers the world, Guerlain would never have become a High Perfumery and High Cosmetic House. Protecting the Bee is the guiding light for our approach to sustainable commitment. While the Bee has always been our historical cause (our partnership with the Ouessant Island Brittany Black Bee Conservatory Association dates back to 2011), today we are reinforcing our commitment by ramping up our efforts for all of Nature's wonders that inspire our creations. This commitment takes on a variety of forms: sustainable sourcing projects, partnerships with similarly committed businesses, and certifications that both guide our initiatives and validate our progress, among others. Our ambitions – which we revised in 2021 – aim high, since they are guided by the urgency of the need for action. We will pursue them and share them, with force and conviction, in an effort to reach them.

1 million euros

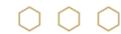
in funds raised during "World Bee Day" in 2022 for the "Guerlain for Bees Conservation Programme", encompassing our partnerships & initiatives in favour of bees

Objective:

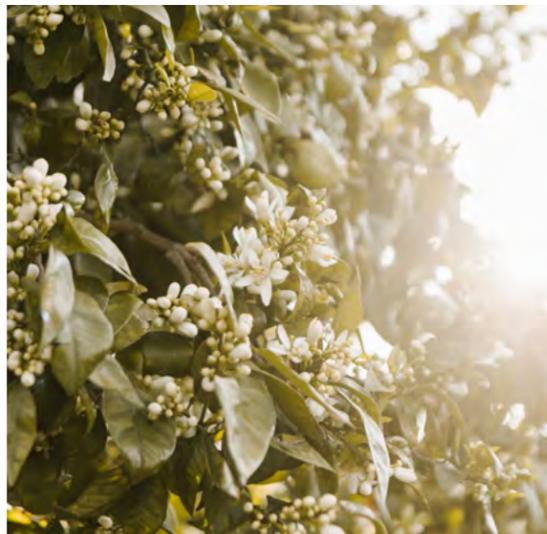
100%

of our 40 iconic sourcing channels to be UEBT-certified (as sustainable) by 2026

40 CERTIFIED SOURCING CHANNELS BY 2026



Raw materials have always been a source of inspiration and innovation for our House. Committing to the protection of biodiversity has become inevitable to ensure the quality and longevity of our creations and savoir-faire, and to contribute to preserving the beauty of our world on our own scale. That is why our strategy for preserving biodiversity, on a local level, is to create sustainable partnership-based sourcing channels which correspond with the ingredients we procure: honey, rose, orchid, bergamot, Ylang, and so on. The preservation and transmission of these unique raw materials, which we consider Nature's wonders, is written into our Raison d'Être.



A PHILOSOPHY OF PARTNERSHIP ABOVE ALL

In France, in Europe, and across the world, we join forces with organisations and local establishments to implement programmes and sustainable sourcing channels for our essential sourcing.

In Brittany or further afield, such as in Asia, **we support cultural approaches with multiple virtues – ecological and socio-economic – focusing on the natural materials that go into the composition of our products.** It is important for us to maintain such partnerships in the long term, and in most cases we establish them for a ten-year duration.

Concretely, this might take the form of financial backing, technical and scientific assistance, or skill-based support. That entails our volunteer teams sharing their expertise on an ad hoc basis. The means required to achieve sustainable, fair trade are determined through discussions among people and encounters made "in the field".

CERTIFYING OUR "SOURCING WITH RESPECT" SOURCING CHANNELS IN PARTNERSHIP WITH THE UEBT

Because we care about transparency and the continual improvement of our practices, our House is a member of the Union for Ethical BioTrade (UEBT). This non-governmental organisation is recognised worldwide for its **standard which defines the ethical sourcing practices for ingredients from biodiversity**. As a member, we have set goals to improve our sourcing in accordance with UEBT standards, both from a social point of view and in terms of respecting biodiversity.

By undergoing an assessment to become a UEBT member, the House has taken a new step forward. All 40 of its most iconic sourcing channels will be verified. Improvement plans will be implemented with each supplier and producer according to a continuous improvement model. Guerlain thus aims to achieve UEBT certification for its 40 most iconic sourcing channels by 2026.

UEBT CERTIFICATION
 requires practices
 that respect biodiversity, reduce the
 loss of biodiversity,
 and protect the rights of workers and
 communities.



THE 7 PRINCIPLES OF AN EXACTING STANDARD

The UEBT has established an ethical BioCommerce standard based on the principles of the United Nations Conference on Trade and Development (UNCTAD). This uncompromising, regularly revised certification document is aligned with the objectives of the Convention on Biological Diversity (CBD) and the United Nations' Sustainable Development objectives. Obtaining UEBT certification requires the respect of seven essential principles:

- 01 Conservation of biodiversity.
- 02 Sustainable use of biodiversity.
- 03 Fair, equitable sharing of advantages arising from the use of biodiversity.
- 04 Socio-economic sustainability (production, financial and market management).
- 05 Compliance with national and international laws.
- 06 Respect of the rights of participants in BioCommerce trade.
- 07 Clarity on land tenure systems and the right to exploit and access natural resources.

THE UEBT PRESENTS ITS AMBITIOUS ACTIONS AT THE COPENHAGEN SUMMIT

In 2020, the UEBT shared its publication, "The Big Shift", summarising the ten lessons learned, over ten years, by companies promoting a positive impact on biodiversity and on people. In June 2021, the same 60 companies working with the UEBT got involved in publicising their shared commitments as part of the "Biodiversity action plan". At an executive round table held for the Copenhagen Summit, the UEBT and its members presented the ambitious actions that participating brands have undertaken in favour of biodiversity. They demonstrated how, thanks to intelligent solutions based on the natural ecosystem, these commitments have proved effective in combating the decline of biodiversity and in fostering its restoration. The event aimed to inspire people, get businesses involved, and rally whole industries in the worldwide perspective of biodiversity beyond 2020.

In 2021, amongst
 the **18 sourcing channels**
 evaluated so far,
4 have reached the
 "Responsibly Sourced"
 level of the UEBT

40
 iconic Guerlain
 sourcing channels

2
 years
 of auditing

2023
 determination
 of a priority action plan

2026
 UEBT certification



THE ICONIC GUERLAIN
SOURCING CHANNELS
THROUGHOUT THE WORLD

A VOYAGE TO THE HEART OF OUR FOUR EMBLEMATIC SUSTAINABLE SOURCING CHANNELS



BERGAMOT FROM CALABRIA

Italy

No synthetic substance known to date is able to fully replace natural bergamot extract, a note that has been a prominent part of the Guerlain fragrance ranges from the beginning, for example in the Shalimar concentrate, which contains 30% Bergamot essence. The type that Guerlain procures – of which the Latin name is Citrus bergamia – only bears fruit in Calabria on plots of land that are essentially owned by families. **Some 7,000 people live from this arboriculture, which is conducted in conditions which foster biodiversity.** It generates a vital economic resource for the local growers and processors such as Capua, which has been a partner of Guerlain for generations. That ensures traceability in terms of sustainable arboriculture and fair trade practices that respect human rights and labour laws, from the plantation to the extraction of the perfume ingredient.

Here, the harvesting is performed by hand, and is entrusted to trained teams who observe safety measures (wearing gloves is obligatory, since the citrus fruit has strong allergenic properties). The harvesting period stretches from November to February, and in 2019, it yielded 22,000 tons across the 1,300 hectares cultivated. **It takes approximately 200 kg of fruit to obtain 1 kg of essential oil.** Only the peel contains the fragrant molecules useful in perfume.

To ensure virtuous practices throughout the entire value chain, **Guerlain and Capua have established a 10-point agreement.**

Its terms dictate that the harvest from any plot cultivated according to the statement of work (which namely recommends the conversion to organic practices without putting the harvest at risk, as well as water-saving procedures, the decarbonisation of the farming equipment used, etc.) in order to supply Guerlain will be purchased at a higher price. The objective: to reward the virtuous endeavours of any Calabrian tree grower who voluntarily complies with the same criteria of environmental excellence.

The natural material extraction that Capua performs is being improved, too, in keeping with this ambition. For example, it is **seeking solutions to make use of the by-products resulting from bergamot essential oil extraction. It now takes a circular economy approach:** the pulp and juice of the fruit, as well as any remaining fragrant molecules still present in the residual distillation water, are available to the agri-food industry, since they might interest innovative beverage producers seeking its unique bitterness. As for the vats used to transport the Calabrian essential oil to Guerlain, they are designed to be reusable and, in a sense, "returnable".

**100% OF THE BERGAMOT USED FOR
GUERLAIN FRAGRANCES COMES
FROM "CALABRIAN GREEN GOLD"**



YLANG FROM THE COMOROS ISLANDS

An archipelago in the Indian Ocean

One of the raw materials of our original "Guerlinade", first established in 1921, Ylang grows on the cananga tree, which can grow up to 30 m high, unless it is trimmed to a human scale to facilitate hand-harvesting. One tree can provide 20 kg flowers per year, beginning in its fifth year and for approximately 50 years.

Chemical additives proved overly expensive and have been forsaken by the inhabitants. Moreover, the Indian Ocean region is committed to an exemplary regional project for the exploitation of Ylang. More broadly, it promotes the Sustainable Development Objectives. Guerlain, along with a partner processing company in Grasse – the Bernardi Group –, has gotten involved to include the combat against deforestation and the promotion of women's liberation in the programme.

Ylang delivers its fragrant molecules after what is called "gentle" distillation. This actually refers to slow distillation which involves the combustion of wood. This age-old technique is a tradition in the Comoro Islands, and it – along with the wood required to heat homes in the community on a daily basis – consumes a great deal of wood and contributes to deforestation. "It takes one ton of wood to obtain 3 kg of essential oil, which leads to a destruction of 8% of the forest each year," according to the Initiative Development NGO. Furthermore, it increases carbon destocking.

That is why a partnership convention was established in 2018 and made official between Guerlain and the 2Mains association in 2020. The social objective of this organisation is to improve people's lives on the island, and the state of biodiversity there, through sustainable economic development. One example is reasoning the distillation process by making improvements to the ener-

getic efficiency of the local equipment. Thus an **innovative still was developed for distillation** at the Ylangndjema CUMA (Agricultural equipment use cooperative) site in Hajoho (Anjouan Island).

The still was co-funded in particular by our House and the Georges Sappa Foundation (Bernardi Group), and the island's natives were professionally trained to develop it and put it to use. **The still produces the steam required to distil Ylang using biomass instead of wood.** This biomass should be "green" and local whenever possible, and it must be exempt of conflicts of use. Positive examples are biomass taken from the clearing of surrounding fields and the depleted flowers remaining after the distillation process of the Ylang itself... The aim is to save up to 90% of the wood traditionally burned to extract the essential oil from Ylang flowers. While other sources of biomass may be used, they must comply with the same rules that apply to the local biomass as established in the Convention, and be 100% traceable.

Let us note that **the exploitation of Ylang represents 10 to 15% of all jobs on the Comoro Islands, and that it is a vector for the economic emancipation of the local population of women.**

The portion of the plant richest in fragrant molecules is reserved to High Perfumery, while the remainder may be used in a broad spectrum of applications in cosmetics and aromatherapy. This increases the eco-efficiency of processing Ylang from the Comoro Islands, the preferred source for Guerlain.

**A STILL THAT SAVES 90% OF WOOD
AND COMBATS DEFORESTATION**



DAMASK ROSE

Bulgaria

Among the three sourcing channels that provide Guerlain with roses, the Bulgarian Damask rose is cultivated in the open fields of the Kazanlak Valley. Nicknamed "liquid gold" in this Balkan country, it is, in fact, the emblem that represents the source of national prosperity. Guerlain, like Jean Niel – the oldest family-based French fragrance company –, has been a stakeholder of this revivifying dynamic for 16 years.

The specific soil and climate of this area bring special qualities to what is called the Damask rose: "the Rose that Jacques Guerlain was so mad about", recalls Thierry Wasser, the Master Perfumer of our House. But considering (planetary) environmental challenges and (regional) social challenges, the Bulgarian Rose Valley is beginning to get organised with the assistance of the companies that invest in it, such as Guerlain.

A massive conversion to organic agriculture is underway. In order to reduce the use of chemicals in the fields, tests are being conducted on techniques such as allowing grasses to grow between rows of roses, using new technologies to manage cultivation, and drip-irrigating to reduce water waste and the hydric stress that is rampant in the region. Moreover, these measures are compatible with the plans of the Bulgarian Ministry of Agriculture, and they benefit from European aid.

"Part of my work consists of breaking down complex mechanics to understand the whys and wherefores, so that I have enough information to be able to explain the reality of the situation to farmers and all the stakeholders involved in our perfume creation process", explains Thierry Wasser, who understands the magnitude of the sustainable issues which concern Guerlain, and who includes them in his work with exactingness to infuse his profession with a dimension that is distinctive of the House.

Just after harvesting, the flowers are brought to the distillery, where they are boiled. The steam is condensed and distilled a second time to obtain the essential oil. **100% of the Damask Rose essential oil procured by Guerlain is taken from roses grown in Bulgaria. The country has been granted the protected geographical indication (PGI) European quality label for "Bulgarian rose oil" since 2015.**

PROVIDING ALL THE
CONDITIONS TO UPHOLD
BULGARIAN "LIQUID GOLD"

THE CHINESE ORCHID, AN ENVIRONMENTAL SPONSORSHIP FOR MORE THAN 10 YEARS



With more than 30,000 species, the orchid possesses an inestimable biological capital. Queen of the tree-dwelling flowers, it can have a life span of 100 years and beyond, even in the most hostile environments. TianZi, in the southwest of China, is the kingdom of a variety of orchid brimming with an exceptional age-defying active ingredient. The destiny of this flower is intrinsically linked to that of its original tropical forest ecosystem in Yunnan.

To explore the resilience secrets of the orchid – the exceptional raw material of the Orchidée Impériale skincare line –, Guerlain developed a research platform like none other, the Orchidarium. It encompasses three centres: a fundamental Research Laboratory that explores the age-defying benefits of orchids and an experimental garden, both located in Geneva, Switzerland; and the Exploratory Reserve of TianZi.

Guerlain is renewing its commitment to the TianZi natural reserve in China for another 10 years, thus protecting the orchids featured in the Orchidée Impériale collection.

This environmental sponsorship made it possible to restore the natural habitat of orchids native to the region through an ambitious reforestation programme. Since 2011, 30 hectares of forest have already been rehabilitated with more than 3,000 trees and nearly 20,000 orchids throughout the reserve. By 2031, Guerlain and TianZi will have doubled this area, to reach 60 hectares where regenerative agricultural practices will be implemented. The support that Guerlain provides also contributes to the development of the local economy, particularly through employment opportunities.

By **ensuring the employees of TianZi a minimum wage of at least 10% over the average minimum wage in the region**, the House helps improve the living conditions of the locals. It fosters long-term working relationships and trains employees in regenerating agriculture principles and technology, supporting the transmission of the area's cultural heritage.

GUERLAIN ESTABLISHES A CONNECTION WITH THE NEW YORK BOTANICAL GARDEN

In February, Guerlain partnered with the Orchid Show, an annual event held at the New York Botanical Garden (NYBG).

Through the creations of floral designer Jeff Leatham, visitors were transported into a kaleidoscope of colour.

The inaugural evening was coordinated as a fund-raiser for the NYBG.

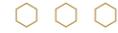
And for every hundred tickets sold, Guerlain agreed to plant 2,000 orchids in their natural habitat within the local reserve of TianZi.



BY 2031,
A TOTAL OF **60 HA**
WILL HAVE BEEN
REHABILITATED THROUGH
**REGENERATIVE
AGRICULTURE**

(1) Agriculture in the jungle

GUERLAIN AND THE MILLIÈRE VALLEY, A PATRONAGE IN FAVOUR OF BIODIVERSITY



The preservation of nature is at the heart of Guerlain's sustainability commitment. As such, the House is particularly proud to announce its partnership with the Millière valley, a nature reserve created by Yann Arthus-Bertrand.

Guerlain is proud to announce its new role as Sustaining Patron of the Millière Valley (Vallée de la Millière) Association. Chaired by environmental activist and friend of the House Yann Arthus-Bertrand, the Association oversees the development of a site of over 30 hectares in the French county of Yvelines (78), close to Rambouillet Forest, with the goal of rewilding the area and transforming it into a conservation area. Purchased by Yann Arthus-Bertrand in 2020, the site is home to at least 350 different species, and is officially classed as a "Natural Zone of Interest for Ecology, Flora and Fauna".

Long-term, the Valley is intended to become a haven for wildlife, as well as acting as a research base for scientists and environmentalists seeking to study the human impact on natural ecosystems, thanks to partnerships with Paris-Saclay University and the Haute Vallée de la Chevreuse Natural Park.

An area of 1.4 hectares adjacent to the nature reserve will house an **educational communal garden, 'Le Jardin des Partages', designed in line with agroforestry and permaculture** principles. Supported by Guerlain, the garden will seek to highlight the area's rich natural biodiversity while encouraging sustainable harvests. **Guerlain Master Perfumer Thierry Wasser will work alongside the Association to study and implement sustainable growth techniques**, prioritizing environmentally conscious ways to guarantee the perennity of raw materials. Their findings will be shared with the House's other suppliers as part of LVMH's LIFE 360 initiative, with the hope of creating a wider impact.

Echoing Guerlain's commitment to sharing and passing on savoir-faire, the Millière Valley is intended to act as a public space for recreation and learning. From 2023, the nature reserve will welcome members of the public to learn about issues relating to biodiversity and its protection, as well as environmental issues affecting the agricultural sector.

A flagship project, the Valley is intended to bridge the gap between man and nature, with the goal of inspiring similar initiatives and rewilding spaces across France.

REWILDING: NATURE RETAKES CONTROL

The Raison d'Être of the Millière Valley: rewilding this unique space, allowing its weakened ecosystem to reestablish itself according to natural principles without human intervention. Experts hope that ultimately, the nature reserve will be **naturally repopulated by an autonomous network of plant and animal species**, allowing Mother Nature to retake control of the rhythm of the natural world.

« The Millière Valley represents one of my most cherished dreams. By purchasing this extraordinary site of 30 hectares, which I've visited since my childhood, and rewilding it as nature intended, we'll have an incredible chance to observe what happens when Mother Nature takes back control, without any human intervention. Insects, foxes, badgers - all manner of animals and plants will reclaim their rightful place in this unique habitat.

I would love, one day, to be able to walk in the forest without the animals being afraid of me. My dream is for them to recover the inherent trust and love they have for mankind. »

Yann Arthus-Bertrand

« This year, Guerlain's sustainability commitment, In the Name of Beauty, celebrates its fifteenth anniversary. The House is therefore particularly glad to announce its support for the Millière Valley Association, whose objectives echo Guerlain's own commitment to preserving biodiversity and encouraging sustainable agriculture.

This unique and future-oriented project will encourage future generations to learn about the importance of protecting nature, giving them hope and reflecting Guerlain's values. As a House, we're extremely proud to help the Association amplify this message. »

Cécile Lochard
Guerlain Chief Sustainability Officer

GUERLAIN & YANN ARTHUS-BERTRAND: WORKING TOGETHER TO PROTECT NATURE

Lasting relationships are built on common values. Shared ideas. Similar hopes for the future. Such is the partnership between Yann Arthus-Bertrand, photographer, director and internationally renowned environmentalist, and Guerlain, whose commitment to protecting nature has shaped its approach to beauty for the last fifteen years. A further happy coincidence: the little town of Mesnuls, close to the Millière Valley, was once home to both the Guerlain and Yann Arthus-Bertrand families...

Since 2020, **Guerlain has been a partner of Yann Arthus-Bertrand's GoodPlanet Foundation**, which aims to raise awareness among young people about the importance of protecting bees and their essential role as pollinators.

Since 2021, Yann Arthus-Bertrand has acted as Honorary President of Guerlain's **Sustainable Board**, assisting the House in implementing its sustainability commitment with his pioneering approach to combining luxury and sustainable development.

In 2022 Guerlain revealed a groundbreaking **new campaign for its Aqua Allegoria** collection, shot by Yann Arthus-Bertrand. Inspired by his iconic Earth from Above series, the director composed a tribute to some of the natural world's most remarkable hidden treasures, borne aloft by the Guerlain Bee. Shot with the environment in mind, this extraordinary limited carbon footprint campaign pairs spectacular imagery with the strength of Guerlain's commitment, acting as a manifesto for In the Name of Beauty: elevating Nature to an Art and passing on its wonders to future generations, with the Bee as sentinel.



© Rudy Bueno

GUERLAIN AND GARDENS: A KEY CHAPTER IN GUERLAIN'S STORY

Gardens have always been dear to the Maison Guerlain.

From the very earliest days of the House to the iconic Aqua Allegoria collection, the Guerlain Perfumers have long been inspired by the flora and fauna of the natural world. In the mid-nineteenth century, Pierre-François-Pascal Guerlain began taking a particular interest in the gardens of the House's two factories, one a stone's throw from the Arc de Triomphe and the other in the Parisian suburb of Colombes. Under his care, the garden was gradually transformed into a veritable botanical garden, blooming with lush fruit trees, landscaped bushes and an astonishing variety of flowers, including over 85 species of rose. A true lover of the natural world, the House's founder went as far as to commission an encyclopedia identifying each of the garden's 500 unique species - a tradition followed by the next generation of Guerlain Perfumers, Aimé and Gabriel Guerlain, in 1890.

By supporting the Millière Valley and in particular the creation of its educational garden, 'Le Jardin des Partages', Guerlain begins a new chapter in its In the Name of Beauty sustainable commitment, reinforcing at the same time its long relationship with Yann Arthus-Bertrand. Indeed, the Valley was once owned by the Guerlain family, having been purchased by Gabriel Guerlain in 1867 and used by Jacques Guerlain to harvest fruit and vegetables for his employees during the First World War. A communal garden before its time. By reconnecting with this unique space in partnership with Yann Arthus-Bertrand, Guerlain once again places the image of the garden at the centre of its story. A place that encourages man to contemplate his relationship with the Earth, a new source of inspiration for the House's creations, 'Le Jardin des Partages' brings together Guerlain's past and future.

BIODIVERSITY

We are currently witnessing the sixth mass extinction of species on Earth. The last one was the demise of the dinosaurs.

THE MILLIÈRE VALLEY

La Millière itself spans **30 HECTARES**
'Le Jardin des Partages' - educational communal garden - spans **1.4 HECTARES**
250 SPECIES of flora and fauna and counting

THE BEE, THE FOREMOST PRODIGY



Preserving the Bee has been at the heart of the House's sustainable development commitment for more than 10 years.

It is urgent to take action because it is urgent to protect this guardian of biodiversity.

Nearly 75% of cultivated plants and 90% of wild flowering plants depend on pollinators, and principally bees⁽¹⁾. The bees have upheld their pact with flowers for several million years, guaranteeing an overall natural balance. That balance is now in danger, with a mortality rate among honey bees reaching 30% today⁽²⁾.

"GUERLAIN FOR BEES CONSERVATION PROGRAMME": A NETWORK OF ALLIES RALLIED TO THE CAUSE OF BEES

To demonstrate our commitment and spread its influence throughout the world, we created the "Guerlain for Bees Conservation Programme", a network of allies rallied to the cause of bees, encompassing 10 partnerships and initiatives dedicated to the Bee.

Since 2011: A Sustainable Development sponsorship through the Ouessant Island Brittany Black Bee Conservatory Association (ACANB) based on two pillars: financial support and assistance in research and communication operations.

Since 2015: A partnership with the French Observatory of Apidology (OFA), founded by Thierry Dufresne, which Guerlain assists in order to develop the number of beehives in Europe and promote the rare, precious beekeeping profession.

In 2018: Creation of the "Bee School" in collaboration with the OFA: a programme to raise awareness among primary schoolchildren, coordinated by the employees of the Maison Guerlain, to enable kids to appreciate the role of the Bee and the importance of its protection. After a two-year pilot phase in France, the "Bee School" went international in 2021, and is active from May to October.

In 2020: Launch of "Women for Bees" in partnership with UNESCO. This apicultural entrepreneurship programme was created to train new female beekeepers, establish new apiary exploitations throughout the world's UNESCO biosphere reserves, and quantify the benefits of pollination. By 2025, the partnership will have made it possible to train 50 beekeepers and establish 2,500 beehives, representing the repopulation of 125 million bees. Angelina Jolie, Godmother for the first graduating class of 2021, continues to support the "Women for Bees" programme this year, particularly at the session in Cambodia.

In 2020: A sponsorship with the GoodPlanet Foundation, created by the world-renowned photographer, director and ecologist Yann Arthus-Bertrand. This partnership is intended to raise awareness among the younger generations about the challenges of bee protection by establishing and making use of an artistic and educational space dedicated to the discovery of the beekeeping world.

In 2020: Support to the ELYX Foundation, co-created by the artist Yacine Aït Kaci, under the aegis of the FACE Foundation, which works to promote UN texts and values, including its 2030 Agenda and its 17 Sustainable Development Objectives. The ELYX character, drawn by Yacine, is the digital ambassador of the United Nations. The artist also designed BEEZ, the emblem of the "Bee School".

In 2021: A three-year sponsorship of the International Union for Conservation of Nature (IUCN) aiming to establish the Red List of endangered wild bee species in France. Determining the threats that they face and quantifying their rate of decline makes it possible to inform the general public and alert the public authorities in order to generate concrete actions in favour of their protection. Founded in 1948, the IUCN sets itself the mission of contributing to the conservation of biodiversity and the fair, sustainable use of natural resources.

In 2021: A three-year sponsorship of the Muséum National d'Histoire naturelle to support their "SPIPOLL" programme. This participative programme makes it possible

for anyone to take photos of pollinating insects and to post them on an application that uses artificial intelligence. Through the funding that it now provides, Guerlain is ramping up the performance and scope of the application, a precious database for the scientific community and a way to raise awareness of biodiversity among the general public.

In 2021: A partnership with the Shan Shui Conservation Center. The Chinese NGO works to protect species and ecosystems to foster the harmony between Man and Nature. Its attention focuses on the endangered animals of China, including honey bees. Meanwhile, Guerlain is sharing its "Bee School" programme with Shan Shui in collaboration with the Chinese national educational department. This partnership has already been locally underway for a year with the House's Chinese branch.

In 2022: A partnership with CONAPI Italy, one of the largest Italian apiary cooperatives and the country's foremost producer of organic honey, to establish a new local project with a twofold objective: to raise awareness of threats to bees and more generally of climate change. Through the "Bee School" and thanks to the knowledge of the CONAPI, more than 1,000 children have received education in Milan, Rome, and Bologna. Moreover, taking inspiration from the "Women for Bees" programme, the partnership promotes female entrepreneurship. Eleven women have already received professional beekeeping training through the programme in Italy.

THE BEE AND ITS ALLIES



PROMOTING & SUSTAINING THE BEEKEEPING PROFESSION

« Thanks to the "Women for Bees" programme, the role of female beekeepers throughout the world will be acknowledged for the first time. The programme is based on the observation that local expertise in the field of beekeeping is being lost in many territories. Pollination is essential to life on Earth, and apiculture plays a vital role in our need to protect biodiversity. We would like to extend this network of female beekeepers within these 25 biosphere reserves to women living in a greater number of biosphere reserves throughout 129 countries. Women living in biosphere reserves within developing countries, for example. They have no access to science or the technological developments needed to best manage bees. Having access to science, technology, and knowledge makes it possible to improve their position in society. »

Shamila Nair-Bedouelle
Assistant Director-General
for Natural Sciences at UNESCO



ESTABLISHING THE RED LIST OF WILD BEES IN PARTNERSHIP WITH THE IUCN

The IUCN is an international organisation in charge of establishing the conservation status of biodiversity as a whole, particularly by publishing Red Lists for each species: for emblematic species such as the giant panda, but also lesser-known species such as plants, mushrooms and insects. Today, it is the most reliable scientific reference in understanding the level of danger that biodiversity is facing, and thus in raising the awareness and involvement of various audiences, and in establishing specific actions according to priority.

« Our partnership with Guerlain will last for three years, and it will enable us to establish the Red List of the wild bees of France. We will rally scientists, naturalists and local associations in order to precisely chart the habitats of all the bee species, identify the threats they face, and quantify their rates of decline. This is a scientific tool that will enable us to alert the general public about the urgency of the situation, and that is intended for use by the public authorities in order to generate actions in favour of bees. Once we achieve these results, the Maison Guerlain will be a precious support and a wonderful platform for communication with its partners and the general public. »

Florian Kirchner
Species Programme Officer,
IUCN French Committee

(1) IPBES Assessment Report on Pollinators, Pollination and Food Production (2) Source: French Observatory of Apidology

WORLD BEE DAY: THREE DAYS OF UNPRECEDENTED ACTIVISM FOR BEES



OUR VARIOUS INITIATIVES AND PARTNERSHIPS KEEP OUR COMMITMENT TO PRESERVING BEES BUZZING ON A DAILY BASIS.

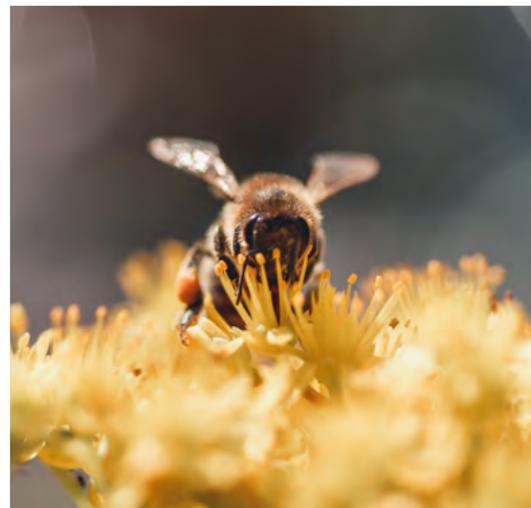
BUT ONE DAY IN PARTICULAR GIVES US THE OPPORTUNITY TO HIGHLIGHT AND RAISE AWARENESS OF THE DANGERS THAT BEES ARE FACING, IN AN EXTENSIVE, IMPACTFUL WAY: "WORLD BEE DAY". SINCE WE ARE CURRENTLY RAMPING UP ALL OUR COMMITMENTS, WE BROUGHT SPECIAL FOCUS TO THIS EVENT IN 2021, AND WE HOPE TO REITERATE THE OPERATION IN 2022.

RAISING ONE MILLION EUROS IN FAVOUR OF BEE CONSERVATION

After a successful first edition in 2021 which gave rise to three new partnerships, **Guerlain is ramping up its commitment to the Bee** – a symbol of the House and an infinite source of inspiration – **more than ever**. For the second consecutive year, for World Bee Day – from May 20th to 22nd –, Guerlain is organising an international operation aiming to raise up to **one million euros for the "Guerlain for Bees Conservation Programme"**, as well as to get its communities and the general public involved.

This worldwide operation is unprecedented. Concretely, the House donated 20% of its worldwide sales⁽¹⁾ (including the limited edition of Abeille Royale Watery Oil featuring a special decoration for the event by artist Tomáš Libertíny) and €20 for each repost of the visual, also designed by Tomáš Libertíny, that was accompanied by the #GuerlainforBees and #WorldBeeDay hashtags.

(1) At Boutiques, with a selection of partners, and on Guerlain.com, including all ranges



THE MAISON GUERLAIN JOINS FORCES WITH THE ARTIST TOMÁŠ LIBERTÍNÝ

Tomáš Libertíny has been inviting bees into his artistic work for fifteen years, particularly through sculptures that he co-constructs with honey bees. This encounter follows the continuity of the House's history, mingling environmental protection with artistic pursuits. Tomáš adorned the Guerlain Bee heart logo and the Abeille Royale Watery Oil packaging with his flowers.

In our collaboration with the artist, the House also launched an unprecedented creation: the emblematic Bee Bottle, which is swept away into a timeless, poetic world. Bees carried out this entire work of art.



AN OPERATION ORGANISED OVER TWO VERY SYMBOLIC DATES

MAY 20th: WORLD BEE DAY

This date, designated by the United Nations, coincides with the day that Anton Janša was born, in the 18th century. He was the pioneer of modern apicultural techniques in his native Slovenia. This day pays tribute to the Bee's tendency to work hard despite requiring little attention.

MAY 22nd: INTERNATIONAL DAY FOR BIOLOGICAL DIVERSITY

Proclaimed by the General Assembly of the United Nations, this date was chosen in honour of the date that the Convention on Biological Diversity was ratified. The objectives of this convention, which came into force in 1993, are the conservation of biological diversity; the sustainable use of its constitutive elements and genetic resources; and the fair, equitable sharing of the advantages generated by it.

35%

of our food depends, directly or indirectly, on the actions of pollinating insects⁽¹⁾.

75%

of cultivated plants and

90%

of wild flowering plants depend on pollinating insects, and principally bees⁽²⁾.

30%

mortality rate in honey bees⁽³⁾.

THE CAUSE IN FAVOUR OF BEES

Bees are the world's principal pollinating insects, and they have upheld their pact with flowers for several million years, guaranteeing an overall natural balance. That balance is now in danger, with a mortality rate among honey bees reaching 30%⁽³⁾.

There are two types of bees – the wild bee and the domestic bee, more commonly known as the honey bee –, **but bees of all types are pollinators**. The best-known is *apis mellifera*, the honey bee native to Europe. *Apis mellifera* can visit 15 flowers per minute, and is able to pollinate nearly 170,000 different species⁽³⁾. More than 20,000 species of bees are known throughout the world, of which 90% are wild⁽²⁾.

(1) Abeilles, gardiennes de notre Avenir (Paul Fret)

(2) IPBES Assessment Report on Pollinators, Pollination and Food Production

(3) Source: French Observatory of Apidology

ACTIONS PROMOTING BIODIVERSITY AT OUR PRODUCTION SITES



- 2015** Installation of beehives and sowing of wildflower areas (Chartres and Orphin)
- 2016** Eco-pasture grazing by the sheep of Ouessant, making it possible to avoid the use of any thermal machines or chemical pesticides (Chartres and Orphin)
- 2018** Creation of a pond by the site's employees in order to foster biodiversity and contribute to the blue belt (Chartres)
- 2019** Installation of innovative hexagonal beehives (Orphin)
- 2021** Installation of tit nests and bat shelters, in conjunction with the combat against "species subject to cause damage" (Orphin)
- 2022** Biodiversity diagnostic performed using the UEBT's Biodiversity Action Plan (BAP), making it possible to follow up on the actions and biodiversity indicators on the site (Chartres and Orphin)

Installation of wild bee "hotels"⁽¹⁾ (Chartres and Orphin) designed by the OPIE (French Office for Insects and their Environment) and the ONF (French National Forest Office)

Establishment of a CPSE (Contract for Environmental Service Provision) with Epiterre for honey-yielding wildflower areas and lucerne fields near our production site of Chartres to provide more sustenance for pollinators and foster plant coverage favourable to biodiversity

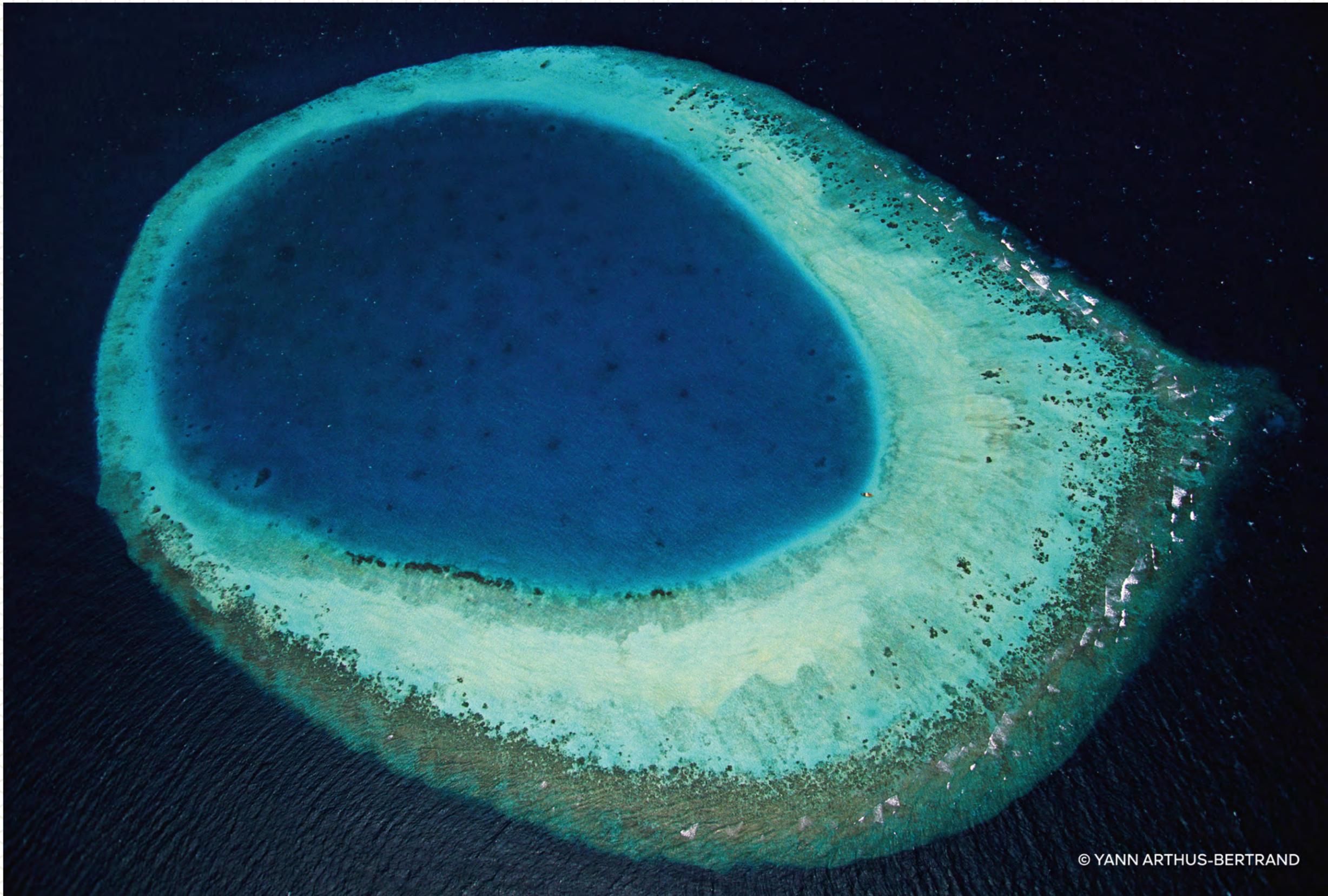
Actions to raise awareness of biodiversity among our employees (Chartres and Orphin)

Guerlain is a member of the "Entreprise engagée pour la Nature" ("Companies committed to Nature") programme, which aims to foster biodiversity by generating, acknowledging, and showcasing their action plans

(1) Outdoor equipment condensing the micro-habitats necessary for the life of a large number of wild bees (essentially to provide shelter for eggs and in the winter). Each one is divided into eight compartments representing a series of micro-habitats. It is useful for almost all 864 species of wild bees present on the territory of metropolitan France.



Honey-yielding wildflower areas and lucerne fields near our production site in Chartres
© RBA



© YANN ARTHUS-BERTRAND

INNOVATION

THE EYE OF THE MALDIVE ISLANDS, NORTH MALÉ ATOLL (INDIAN OCEAN)

Threatened with submersion by the rising waters (80% of its territory is less than 1 m above sea level), this archipelago could be gone by the end of the century. To face this threat, an artificial island has been built, complete with an intelligent, ecological city (Hulhumalé, city of hope). Another approach proposes a more natural adjustment, such as protecting the coral that plays a naturally protective role: according to the IPCC, 70 to 90% of coral will disappear if temperatures rise by 1.5 °C.

THE VIEW OF
Usbek & Rica

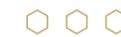
LEARNING ABOUT THE LIVING

Century after century and invention after invention, Homo Sapiens has placed himself above the laws that regulate Nature. But in a zealous effort to "tame" his environment to make it more convenient for himself, he forgot that Nature is the best reservoir for innovation. What is the world of the Living, if it is not a formidable Research & Development laboratory backed up by 3.8 billion years of experience?

In the 21st century, the challenge is no longer to work against the laws of Nature but rather with them. In all environments and in every field, biomimetics – engineering inspired by living beings – sets the scene for innovation. How to protect the human body from the sun's rays without polluting the water? Thanks to the lignin molecule naturally present in trees. How to swim faster? Thanks to denticles inspired by the placoid scales of sharkskin.

By taking inspiration from the living and imitating it, Homo Sapiens is changing its perspective. He is beginning to consider the entire life cycle of the products that he uses; to adopt more frugal production methods, doing more with less; to limit waste by only manufacturing what he needs; to seek resources in the local area. Better yet, he creates symbioses (win-win relationships) by taking the surplus of one activity and turning it into reserves for another, ensuring a more solid long-term balance.

This holistic approach does not hinder his creativity. The opposite is actually true: it provides guidelines that make it even more coherent and effective. By ceasing to innovate in order to better innovate, and by beginning to innovate in order to move forward, Homo Sapiens is taking a step away from the trajectory of his sky-rocketing rise to step into a perpetually sustainable circular dynamic. What if true innovation meant learning to always do better, always using less?



**TO CREATE MORE NATURAL FORMULAS IN MORE SUSTAINABLE PACKAGING WITHOUT COMPROMISING ON THEIR QUALITY, SENSORIALITY AND EFFECTIVENESS.
DESIGNING THE MOST ATTRACTIVE, SUSTAINABLE AND ECO-FRIENDLY PACKAGING TO PROTECT OUR PLANET.
TO SHARE THE BACKGROUND AND LIFECYCLE DETAILS OF OUR CREATIONS VIA "BEE RESPECT", OUR TRACEABILITY AND TRANSPARENCY PLATFORM.**

For many years, Guerlain has been committed to an eco-design approach to sustainable innovation. This process takes the product into consideration from production to marketing, including its sourcing and transport. Since 2018, an in-house governance led by our Eco-Formulation and Eco-Design committees has been determining the strategic roadmap for the years to come and following precise indicators to quantify our progress.

Our ambition is to become a reference for sustainable beauty in luxury cosmetics. To reach our goals, we will have to reinvent the market's traditional codes and take risks. Our eco-design approach got started in 2017, when the House took a radical decision about reducing its packaging. One demonstration is the lighter Orchidée Impériale jar (60% less material than the previous version for a carbon footprint reduced by 40%). This determination to trim the excess off the packaging of our products has remained at the heart of our eco-design strategy, and it is now coupled with a very strong resolve to drastically reduce our consumption of fossil plastic and to ensure that each new project reason is part of a circular economy dynamic.

Our resolution to innovate sustainably is not limited to package eco-design. Formulas are, of course, central to our commitments.

We have made the decision to always use the highest percentage of natural ingredients possible in developing our new products, and we have completely revised our formulation charters. Thus more than 100 controversial ingredients are now excluded from our new creations (skincare and make-up). In this pursuit for ever more virtuous cosmetics, we have begun to reformulate all our existing products without compromise on their level of quality, performance or desirability.

Choosing natural ingredients requires a considerable commitment to the protection of biodiversity. Seeking out the benefits of Nature could otherwise lead to damage that we owe it to ourselves to prevent. To do so, in a general way, we scrupulously analyse the environmental profile throughout the entire life cycle of our products with the use of two in-house rating systems – one on the formula, one on the packaging – to allow us to best decide upon each development.

All changes are made without compromising on the quality, performance or desirability of our creations: our House requires those criteria, and our clients expect them.

100%

of the innovations brought to our products will show an improved environmental profile compared to their previous versions by the end of 2025

100%

of new glass jars or bottles will include a recycled proportion by the end of 2023

100%

of our creations⁽¹⁾ will be traced on "Bee Respect" by the end of 2022

100%

of our new skincare formulas⁽²⁾ have contained at least 90% ingredients of natural origin since 2021

(1) Excluding limited editions (2) Excluding skincare with a sun protection factor

AQUA ALLEGORIA, THE SPEARHEAD OF OUR COMMITMENT TO SUSTAINABLE INNOVATION



In 2022, Aqua Allegoria is being reinvented to better resonate with the Raison d'Être of the House. Guerlain will make this collection emblematic of its commitments through three decisions:

- The first decision: that **the perfumes contain between 90 and 95% ingredients of natural origin⁽¹⁾**. The House's perfumers have managed to rise to the challenge of reformulating each concentrate using the greatest possible proportion of raw materials of natural origin, without undermining the quality or duration of the fragrance.
- The second decision: **exclusive use of alcohol extracted from beetroot organically grown in France**. This commitment is destined to progressively extend to the House's other fragrances.
- The third decision: that **the new bottle be entirely developed through an eco-design process**. Refillable, recyclable, and made using 15% recycled glass, it is created in the objective of impact reduction and circular economy. The eco-design of the refill makes it extremely simple – a transparent glass bottle with a paper label and a white plastic cap – to foster recyclability⁽²⁾. Its CO₂ kg equivalent carbon footprint represents 17%⁽³⁾ of that of the original 125 ml bottle.

The use of the refill makes it possible to reduce carbon emissions by

60%⁽⁴⁾

the use of glass, by

24%⁽⁴⁾

and the use of plastic, by

44%⁽⁴⁾



(1) In compliance with the ISO 16128 standard, calculated including water use

(2) Consult your local sorting instructions

(3) Comparative CO₂ equivalents arising from the product packaging and its transport throughout the world, calculated according to the life cycle analysis method, in compliance with the ISO 14040/44 standard, based on a multi-indicator analysis. The evaluation takes into account the nature of the materials, the origin and manufacturing process of the components, their transport, the transport of the finished product, and the end of its life cycle.

(4) Use of one 125 ml Aqua Allegoria bottle + a 200 ml refill, compared to two 125 ml bottles + one 75 ml bottle.

Comparative CO₂ equivalents arising from the product packaging and its transport throughout the world, calculated according to the life cycle analysis method, in compliance with the ISO 14040/44 standard, based on a multi-indicator analysis. The evaluation takes into account the nature of the materials, the origin and manufacturing process of its components, their transport, the transport of the finished product, and the end of its life cycle.



© Yann Arthus-Bertrand

ECO-COMMITTED COMMUNICATION

To convey these new developments and express Guerlain's commitment to the planet, it takes more than a campaign: it takes a manifesto. And it takes more than a director: it takes an artist known all over the world, not only for the splendour of his work but also for his environmental activism. Yann Arthus-Bertrand – photographer, director and activist author of the unforgettable Earth from Above – is also the founder of the GoodPlanet Foundation, and he is committed to respecting the environment and its inhabitants. Moreover, he is also the honorary president of the Guerlain Sustainable Board, the committee guiding the

roll-out of the Maison's strategic actions in favour of Sustainable Development.

The campaign that Yann Arthus-Bertrand created for the Aqua Allegoria collection is a cinematographic, committed creation which both expresses and implements the values that he shares with Maison Guerlain. For example, in order to limit the carbon footprint of this new production, the shoot was held within France, but certain existing footage of the magnificent iconography of Earth from Above was incorporated; as for the blossoms shown, only "slow flowers" were used...

AN INNOVATIVE, ECO-DESIGN SAMPLE

For the press sample campaign of the Aqua Allegoria collection launch, in order to enable the greatest number of people to try out the fragrances while endeavouring to limit its impact as much as possible, Guerlain chose an innovative, eco-designed sample format. Made in France, exclusively in FSC paper with no plastic nor aluminium, the package is as recyclable as the magazine in which it is presented. Protected within a carton capsule, the perfume may be directly applied to the skin. The sample may be kept like a perfume miniature to be reused and enjoyed several times. This virtuous concept is destined to be extended to our other franchises.



RESPONSIBLE COMMUNICATION WITH A QUANTIFIED IMPACT



In the field of Sustainable Development, responsible communication is a major pillar; and yet such an approach is still little-acknowledged and rarely quantified. It addresses an important challenge, **accentuated by increasing digitalisation: to not only consider the messages conveyed but also the social and environmental impact of how those messages are expressed and disseminated.** Intervening further upstream in the process, this approach considers **the influence of brands in terms of sustainable lifestyles**, since the luxury sector occupies a determining position with regards to its influential role.

In France, the FAIRe programme of the UDM for 2022-2024 shows an increase in civil society's expectations concerning diversity, health, the environment, and ethics; and the increased exactingness of law-makers has already changed the landscape in automobile advertising (referring to the French decree of 28 December, brought into force on March 1st 2022).

Attentive to diversity and the environmental impact of its creations, mindful of never putting "commercial pressure" on its clients and showing respect for their private lives, Guerlain has been designated a "pilot House" by the LVMH Group for its responsible communication.

A pioneer in transparency since 2019 with the online release of "Bee Respect" – the first platform to list a luxury brand's principal suppliers –, the House also showed itself to be a pioneer with the 2015 publication of its Sustainable Development report; and indeed Guerlain expresses itself on the subject throughout the year with considerable regularity.

The specific communication posted on LinkedIn and Instagram – the House's two preferred media outlets for its Sustainable Development messages – is continually being ramped up to cover the corporate communication approach as much as the product itself.

Throughout the year, Guerlain develops and disseminates meaningful, committed "image advertising" content, which address

the environment, patrimony and savoir-faire. Concurrently, for the launches of new products or innovations, the House highlights the sustainable characteristics of the product (recycling, refillable bottle, and percentage of natural ingredients).

Controlling the carbon footprint of advertising productions means quantifying them.

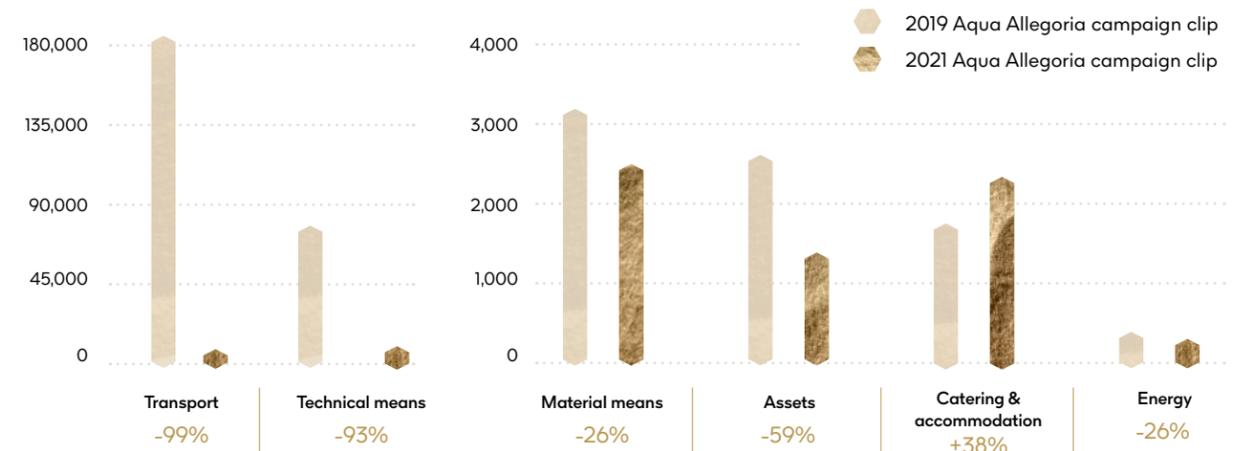
In 2021, to forecast the launch of new products and the evolution of the Aqua Allegoria collection in March 2022, Guerlain performed a 360° study of its **communication plan that integrated environmental performance at every step for the first time.**

Committing to responsible communication has led Guerlain to perform comparative estimations of the greenhouse gas emissions for the 2021 Aqua Allegoria advertising clip (shot in 2019) and that of 2022 (shot in 2021) using an application developed by Ecoprod in a partnership with ADEME, the French Environment and Energy Management Agency. This online calculator, "Carbon'Clap", makes it possible to estimate the greenhouse gas emissions of a production, particularly through the data provided on the mileage covered by the cast and crew, the logistics means utilised, and the time spent in editing. The assessment makes it easy to determine the category that releases the most CO₂ in order to draw conclusions on improvements most pertinent to make in order to effectively lower the impact of future campaigns.

This exercise has made it possible to objectively conclude that more than 77% of the impact of the production of the 2021 Aqua Allegoria clip was due to the air transport of the cast and crew. Therefore, the new eco-committed 2022 Aqua Allegoria campaign – shot in France, making use of rail transport and reusing existing footage shot previously by Yann Arthus-Bertrand – appears to have 20 times less impact on the environment than the previous one. The assessment process has convinced us of the importance of taking action in the right ways to control our impact.



Comparison of greenhouse gas emissions in each category (in CO₂ kg equivalent) between the Aqua Allegoria campaigns of 2019 & 2021



Advertising shoot:

The eco-designed "Le monde est notre jardin" ("The world is our garden") was shot in France by the eco-committed director Yann Arthus-Bertrand, and the production made use of the director's archive footage; rail transport whenever possible; local, seasonal flowers; a reused backdrop; a Carbon'Clap assessment by Ecoprod; and more.

Media plan:

Samples disseminated through press publications within France, on recyclable paper; advertising posters on recycled paper (particularly bus shelter posters); and more.

POS advertising:

Use of natural materials (raffia, etc.)

Based on the strength of this experience, Guerlain is currently developing an internal "eco-production" application that will make it possible to simulate and quickly compare the impacts of various choices, especially upstream of their implementation: the options of shot locations, the dimension of the campaign, the size of the crew to send on location, etc. Thus it will be able to make enlightened, quantified choices for all its future campaigns.

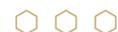
In late 2021, Guerlain began a complete audit of its communication practices, covering all the points of the FAIRe programme of the Union des Marques. This audit was followed by figured objectives in 2022, and the commitment to being a signatory of the programme.

GUERLAIN: PILOT HOUSE FOR THE LVMH GROUP IN RESPONSIBLE COMMUNICATION

Because it cares about the environmental footprint of its communication, the Group is coordinating an inter-House project intended to regulate and control its impacts. This initiative corresponds with the Leroy-Bousquet law, a climate law that provides for the establishment of a code of good conduct in favour of more eco-friendly advertisement. The House's lively interest – and the actions that it has already undertaken – in these matters have led us to be chosen to lead this project for the entire Group, rallying all the Houses to align their approaches with more responsible communication. Among the

five fields of action stipulated by this law, Guerlain will actively work on **determining criteria of measurement, choosing dissemination supports, and deciding on the means of production and content creation from development to release.** This approach involves all service providers through a measured continuous improvement process. In March 2022, Guerlain became the first LVMH House to be accredited by the FAIRe programme of the Union des Marques, which rallies brands, businesses of the advertising ecosystem, and stakeholders into a dynamic of progress and responsibility.

OUR ECO-DESIGN CHALLENGES: EXCESSIVE PACKAGING, PLASTIC AND THE CIRCULAR APPROACH



Our Eco-Design committees meet every six months to review the existing projects, study, and share the areas for improvement or opportunities to explore in order to draft, refine, and optimise the roadmap that will enable us to invent tomorrow's luxury packaging concepts. This should address three major challenges that we have clearly identified and that are also increasingly being expressed by our clients and the subject of regulations throughout the world.

- **Cutting back on "excess packaging"** has been central to our eco-design strategy for many years. Demonstrating this concept are our lighter jars and bottles, the progressive adjustment of outer packaging, and the reduction of the number of layers of packaging towards which we strive at each new development and relaunch.
- **Reducing our consumption of fossil plastic:** This is an objective that can only be achieved by finding alternative materials with similar properties, which meet the luxury standards, without increasing our environmental footprint. Besides purely eliminating it, we seek to substitute it with renewable materials such as paper or cardboard whenever possible. Although the use of a polymer remains necessary for technical reasons, we are methodically researching alternatives in mechanically or chemically recycled plastic or in bio-sourced plastic. Replacing plastic with glass or metal is also an option, but we prefer to reserve it to refillable products

in order to optimise the additional impact or pollution transfer that can be generated by the use of these materials.

- **Transitioning to circular economy**, which requires us to redefine our production model and our product offering: using minimal resources and reducing waste by reusing all the materials generated throughout the product life cycle. Expanding our refillable range of products is, of course, clearly on the table.

The developments made to our Christmas gift sets clearly illustrate how we have integrated these three considerations into our approach. In 2021, we reduced their size by 35*% compared to the year before, and we replaced the plastic brace with one in paper and cardboard. The protective plastic covering is made with 85% recycled materials. By 2022, that plastic covering will be replaced with a recyclable paper and cardboard cover, and the box will be designed to be reused, giving it a second life.

A STRUCTURED, QUANTIFIED, CHALLENGED APPROACH

Our eco-design strategy is framed by a strict process that makes it possible to follow up on reaching our objectives and measure our progress. Thus, upstream of every new development, the Marketing, Development and Sustainable Development teams meet to set ambitious targets based on three indicators:

- **The Environmental Performance Index (EPI).** This rating out of 20 is a measurement of how well eco-design rules are applied (optimisation of the weight/volume ratio with regard to the quantity of formula contained, limiting of layers of wrapping, separability of packaging upon end-of-life cycle or refillability) which quantifies our progress with each product relaunch. While the average launches this year throughout every area must reach 12/20 overall, we adapt our targets for each product to keep them as precise and realistic as possible.
- **The CO₂, or climate change indicator,** takes into consideration the weight of packaging, the impact of the materials that it is

made of, their provenances, and also the transport of the components and finished product to our subsidiaries. For each new development, we aim for a CO₂ level lower than the product that it replaces.

- **Number of Rs:** Reduce (weight, volume, number of layers, etc.), Reuse (for example through refillability), Recycle, Reintegrate (recycled materials) and Reinvent (a new model of circular economy). Each innovation must feature at least 1R, but in most cases the objective is to reach 3.

The calculation of these various indicators is performed by the group's powerful application, EDIBOX. In order to address the new eco-design ambitions determined by LVMH in the LIFE 360 programme, to be more exacting and exhaustive, and to steer compliance with the new regulations, the EDIBOX tool is currently being optimised for a new version to be released in 2022.



Aqua Allegoria

EPI rating: 17/20
CO₂: 1.8 CO₂ kg eq
3 Rs (refillable bottle in recycled, recyclable glass)



L'Essentiel High Perfection Foundation

EPI rating: 12/20
CO₂: 1.4 CO₂ kg eq
1 R (recyclable bottle)



Abeille Royale Intense Repair Youth Oil-in-Balm

EPI rating: 15/20
CO₂: 3.2 CO₂ kg eq
3 Rs (reduced weight of glass; use of recycled, recyclable glass)

OBJECTIVES THAT REQUIRE CHOICES

In addition to the eco-design authorities, each step of development leads us to make eco-design choices. Their implications are expressed each week at the creative packaging meetings attended by top management as well as the Marketing, Packaging Development, Purchasing, Quality, Regulatory Affairs, and Sustainable Development teams. These meetings are an opportunity to compare the benefits from various points of view and to take the most

suitable decisions according to the situation. Refillability versus the lightening of jars and bottles; the adjustment and restraint of boxes versus visibility on the shelf; the use of recycled materials versus impacts on pricing, development turnover times versus compliance with our quality standards... All these choices are discussed at every step of development.

76%

of the glass components we purchased in 2022 include a portion of recycled glass, compared with 47% in 2021 and 6% in 2019

ZÉRO

fossil plastic by 2026 (LVMH LIFE 360 ambition)

40% recycled glass and 88% recycled plastic

in the Orchidée Impériale Cream jar, -8% of weight and -20% volume in the box⁽¹⁾

⁽¹⁾ Compared to the previous 2017 version

5TH GENERATION OF ORCHIDÉE IMPÉRIALE: BEYOND THE FORMULA, ECO-DESIGNED PACKAGING

In keeping with the commitment to Sustainable Development, Guerlain relaunches its iconic Orchidée Impériale Cream, ever seeking to improve its eco-design, not only in terms of packaging, but also of formula. The redefinition of luxury: streamlined and responsible.

Between generation 3, launched in 2013, and generation 4, launched in 2017, the jar of the Orchidée Impériale Cream was already lighter by 60%⁽¹⁾ and the volume of its box by 40%⁽¹⁾ to cut the carbon footprint of its packaging in half⁽¹⁾. As of 2022, Guerlain now incorporates 40% recycled glass and 88% recycled plastic in its jar, while the slender silhouette remains unchanged; and it has succeeded in further reducing the box, which loses another 8%⁽¹⁾ in weight and 20%⁽¹⁾ in volume without losing any of its perceived value. The major development in terms of eco-design is in the proposition of an ingenious yet simple new refillability concept. At the end of the initial use, the client keeps the lid and only repurchases the glass jar, thus making it possible to save 25%⁽²⁾ in CO₂.



Life cycle analysis (LCA) of the 2022 Orchidée Impériale Cream
- Comparison of two usage scenarios



(1) Comparative of Orchidée Impériale Cream launched in 2013 and the version relaunched in 2017
 (2) Use of one 50 ml jar of Orchidée Impériale Cream + one 50 ml refill, compared with two 50 ml jars of Orchidée Impériale Cream. Results obtained through an LCA performed by the Coopérative MU, an eco-design agency
 The comparative CO₂ equivalents arising from the product packaging and its transport throughout the world are calculated according to the life cycle analysis method. The evaluation takes into account the nature of the materials, the origin and manufacturing process of the components, their transport, and the transport of the finished product.

PERFORMING LIFE CYCLE ANALYSES

In order to orient its future choices in terms of eco-design and packaging, Guerlain makes use of scientifically proven results, and performs an increasing number of end-of-life-cycle analyses. Between 2020 and 2022, 10 comparative LCA were produced to provide precise, factual insight on the differences in the impact of

the materials (plastic vs aluminium, glass vs aluminium, plastic vs glass, cardboard vs cellulose), the advantages and impacts of new chemically recycled plastic technologies, or the improved impact of switching to a refillable business model.

ECO-DESIGN PACKING FOR E-COMMERCE

In 2021, Guerlain particularly focused on the eco-design of its e-commerce packing. The subject is turning out to be even more strategic considering that, at the beginning of the pandemic, e-commerce sales increased throughout the world, reaching the equivalent of 10 years in just 8 weeks; and that this trend has since become durably established. Up until now, each and every order was sent in a gift box. Now, clients may opt for a packing mode with a lower impact, receiving the product directly **in a packing box that is as close as possible to the size of the product and made exclusively with recycled cardboard and paper** in order to facilitate recycling at the end of the life cycle. This innovative new eco-design concept was developed in cooperation with our supplier DS Smith. **Its innovation revolves around an ingenious system featuring a "self-sealing" paper brace** which protects and holds the products in place during transport, minimises the

quantity of the packing, and makes use of recycled and recyclable materials wherever possible.

In order to acknowledge the eco-friendly gesture of our clients choosing this more responsible packing mode, Guerlain includes, with each order, a packet of melliferous flower seeds which can produce 10,000 flowers for the bees when sown.

For clients preferring to receive their order in a gift box, we have redesigned that package with an eco-design concept. Manufactured exclusively using FSC paper and cardboard, its structure features a mechanical fastening system that reduces the need for glue and requires no magnet. This luxurious box, with a size as close as possible to the format of the order, is also designed to be reused as a storage box. Inside, the 100% made-in-France tissue paper is held in place with a sticker coated with water-based glue containing no solvents, all completely recyclable.



RETAIL: TOWARDS AN ECO-DESIGNED BEE-CONCEPT



Our eco-design approach is not limited to our formulas and packaging, but also applies to our distribution points. We are progressively rolling out a new Boutique concept, called "Bee-concept", which integrates strict criteria to lighten the footprint from the design stage and extend them to every detail: **100% LED equipment, PEFC- or FSC-certified wood, calling on local providers to implement the plans on-site and avoid excessive transport, particularly of the heaviest materials**, such as real stone in China; the paper decoration is hand-crafted by artisans, while the wood cladding is sent in rolls to reduce CO₂ emissions of transport.

In order to take the eco-design of our "Bee-concept" one step further without reducing the appeal of the luxury values that constitute it, we performed an LCA of three furniture units of the Bon Marché Boutique, one of the first points of sale to feature the installation of the new concept. This made it possible to determine the principal contributors to the environmental footprint to enable us to eco-design the points of sale that, in the future, could benefit from the installation of the concept. The "raw materials" and "usage" steps represent more than 85% of the impacts of the three presentation

units. We know that we must direct our efforts towards the reduction of energy consumption (particularly in terms of lighting) and substituting the materials with the greatest impact. An advanced analysis of the raw materials confirms our decision to have established **relatively virtuous, sustainable natural materials** such as wood and marble (as long as it is locally sourced and will be used for a duration of at least 5 years) as the major codes of the concept. Indeed, while these represent more than 80%⁽¹⁾ in weight for our "wall" presentation units, such as those dedicated to the Abeille Royale range, they contribute to less than 20%⁽¹⁾ of the impacts. Inversely, the materials used for certain gold-tone architectural elements are heavy contributors despite a relatively minimal presence. Such is the case for brass, for which we are seeking lower-impact substitutions based on steel with a coating that appears similar to gold-tone brass.

The eco-design of our Boutiques throughout the world clearly remains one of the areas in which we must concentrate our efforts in the years to come.



© Anaëlle Le Roy

(1) Life cycle analysis performed by the DIAM Group on three merchandising units of the Guerlain Boutique of Bon Marché in Paris. Abeille Royale Wall, Light Column, Bar. Hypothesis of life cycle duration based on 10 hours per day, 360 days per year, for 5 years.

"RECYCLING BAR"

Beginning in 2009, Guerlain began inviting its clients in France to bring their empty packages back to the Boutique to recycle them using CEDRE, the sorting and recycling platform created in a partnership with the LVMH Group. An increased communication on this commitment in 2021 demonstrates our clients' increased interest in this initiative.

In 2022, to enable clients to become "active participants of responsible gestures", Guerlain has decided to materialise the "recycling bar" at the point of sale to broaden its communication and further **incite clients to bring their empty packages back to the store**. A first pilot will be launched in 2023 at the Parisian BHV Boutique in order to test the concept and gain insight before rolling the concept out more widely in France and in the rest of the world in years to come.

COMMITTED POINT-OF-SALE (POS) ADVERTISING

To improve the permanent POS elements, the purchasing teams have taken various actions over several years: the **reduction in thickness** of skincare and make-up modules, **mono-material injection** and the **use of recycled plastic** are reflexes that they have adopted for more than five years.

In addition to permanent merchandising, Guerlain has also recently created an eco-design taskforce dedicated to temporary POS advertising related to launch periods. Designed to last a short duration, this should particularly address criteria of lightness and end-of-life-cycle recyclability, minimising glue and the number of different materials, in order to reduce its environmental impact.

The main challenge for the upcoming years will be to co-coordinate collection for POS advertising with the other companies in the industry, and in as many countries as possible, to systematise its sorting and recycling. As a **member of a work group dedicated to this subject established by the Institut du Commerce** – a French think-tank –, Guerlain is actively participating in seeking solutions and testing them in the field in a bid to make collective progress in resolving this issue, which is both complex and strategic.

98%
of the temporary POS elements are made of recycled PMMA (polymethyl methacrylate) in 2022. The objective is to reach **100% in 2023**.

100% of plastic merchandising element packing will be recycled or biosourced and recyclable or reusable by 2030.

OUR CIRCULAR ECONOMY DESTINATION



To deal with increasing environmental challenges, circularity has made headway at Guerlain to become an absolute priority today. Beyond taking responsibility for the end of our products' life cycles, the idea is to determine a profoundly different business model that maximises reuse at every step of the product life cycle. It is a ground-up process which includes, for example, generalising refillability, integrating recycled or biosourced material from a waste management system at the development stage, or fostering a minima recycling or a second life at the end of the life cycle.

REFILLABILITY, TESTED ON ULTRA-PREMIUM RANGE, NOW EXTENDED TO OTHER RANGES

For four years, the Maison Guerlain has been testing its refillability concept on its three-pronged premium offer in order to extend the model in the medium term. The ultra-premium Orchidée Impériale Black line – of which the face and eye-and-lip contour jars crafted in Limoges porcelain by the House of Bernardaud have been refillable since 2018 –, now includes a new serum reference that is also refillable. It is now time for the new generation of cream from the premium Orchidée Impériale line to feature a **refill that is both ingenious and exquisitely simple, cutting the carbon footprint in half compared to the full product⁽¹⁾.**



In make-up, the personalisation and refillability of the House's premium lipsticks remain strong characteristics that continue to be reinvented from one collection to the next.

Since 2018, all our fragrances have been refillable at our "Guerlain Perfumer⁽²⁾" points of sale, making use of our historical Bee Bottle and perfume fountains. In 2021, we extended the concept to the new L'Art & la Matière bottle, which is now made with recycled glass⁽³⁾ and may be endlessly refilled at Guerlain Boutiques⁽²⁾. The bottle is refreshed with each new refill for a like-new appearance. In 2022, the Aqua Allegoria range was relaunched in a bottle that may be refilled at home, also made using 15% recycled glass.

THE CONTINUOUS PURSUIT OF MATERIAL REUSE

The scope of possibility is endless, but each concept requires a number of tests, particularly to address all our quality and safety criteria.

- **Recycled glass.** The integration of recycled glass into our Abeille Royale cream jars was a ground-breaking innovation on the luxury market in 2019. Today, it has become a standard for Guerlain. We always integrate between 10 and 40% recycled glass into each new glass mould, and the objective with our suppliers is to significantly increase the proportion in years to come.
- **Recycled plastic.** Substituting fossil plastic with recycled plastic is a priority, but it remains a major challenge for the House. Aesthetically substandard in terms of luxury expectations, mechanically recycled plastic does represent, above all, a subject of consumer safety for the entire cosmetics sector. To avoid any risk of impurities seeping into the formulas, a food-quality grade is necessary

for any plastic in direct contact with the formula. This requirement places us in competition with agrifood sourcing channels, making this material more difficult to find for Guerlain. To compensate for the lacking offer, chemically recycled plastic has qualities that could make it an alternative, enabling us to ramp up substitution in any packaging featuring resins that come into contact with the formulas. For other components or articles that do not come into contact with the formulas (merchandising components, promotional articles, etc.), having recourse to mechanically recycled plastic is a foregone conclusion whenever possible.

- **New eco-materials.** These are alternatives that interest us, both for their innovative character and because we intend on supporting the start-ups that are developing them. For example, using residue from our formula or packaging production plants to create new materials with both aesthetic and ecological appeal.

SECOND-HAND MAKES ITS WAY INTO ROUGE G CASING

Because the circular economy is also a reinvention of the way things are produced, Guerlain experimented with a new practice in the development of its new collectors' range in 2021. In a nod to ethical fashion, Guerlain undressed its former collections to provide them with a new wardrobe for the autumn.

Thus, the six new models launched in September 2021 feature the same cases as the 2020 collections, of which the stocks were not completely sold according to estimates because of the pandemic. Dressed in velvet for a new look, this **reuse made it possible to avoid the production of 377,520 new caps.** This initiative, which outdistances the AGECE – an anti-waste law for a circular economy –, is used as a textbook case at Guerlain, and is duplicated whenever possible on other products. Nothing is lost, nothing is created... Everything is transformed!

OASHE

OASHE is a project created by five students of the IPAG Business school. In 2019, it won the "Sustainable Beauty Challenge" held by Cosmetic 360 and sponsored by LVMH, on the theme of "responsible beauty". Their idea: **to create new perfumes using old ones.** Guerlain was won over by the project, and accompanied the students through a mentorship programme to bring it to life: recuperating the perfume liquid from the bottle at the sorting centre before it is recycled, thus creating the OASHE perfume line.

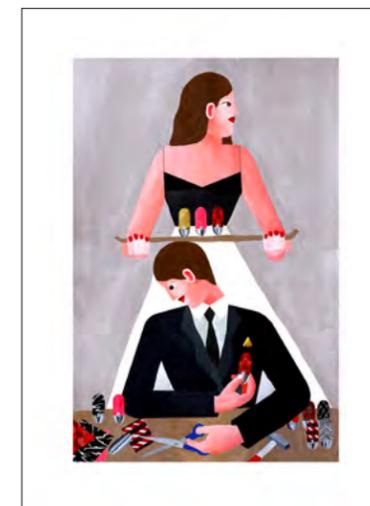
NONA SOURCE, OR HOW TO MAKE UPCYCLING USEFUL?

Created by the employees of the LVMH Group thanks to the DARE (Disrupt, Act, Risk to be an Entrepreneur) intrapreneurship programme, NONA SOURCE is part of the LVMH environmental strategy, aiming to revolutionise sourcing and foster circular economy. The foremost online platform for the resale of exceptional materials from the Group's Fashion & Leather Goods Houses, NONA SOURCE makes high-end fabrics and leathers available to young designers and start-up brands in Europe at competitive prices, thus encouraging creative upcycling.

"Dream big. Start small. But first of all, start." Guerlain so resonates with the NONA SOURCE start-up that it has launched an internal circular economy project to address a three-fold challenge:

- 1/ Communicate our intention to our team to always think in circular economy terms
- 2/ Address logistics issues
- 3/ Initiate a collaboration with this inspiring start-up, which we hope will be long-lasting, as a "test-and-learn" for projects of broader scope.

Our committed partner Anaik crafted 103 transport bags for the shipment of products between headquarters and the Boutiques, made in France using unused fabrics from the Fashion and Leather Goods Houses of the LVMH Group.



To illustrate these different circular economy initiatives, Guerlain called on Antoine Nogueira, a young artist and graduate of the École professionnelle supérieure d'arts graphiques of Paris (EPSAA) currently working in fashion in Paris. He combined his long-standing enthusiasm for painting with his taste for the stylistic aesthetic of 1930s industry characteristic of Fernand Léger to create characters who show the new techniques of sustainable luxury.

(1) Comparison between the Orchidée Impériale Cream jar and its refill. The comparative CO₂ equivalents arising from the product packaging and its transport throughout the world are calculated according to the life cycle analysis method. The evaluation takes into account the nature of the materials, the origin and manufacturing process for the components, their transport, and the transport of the finished product. (2) Service proposed in the countries where regulation allows (3) 10% recycled glass, including 1% post-consumption recycled glass and 9% internal post-industrial recycled glass



COMMITTED ART

Since it was founded in 1828, the history of Guerlain has been intimately connected to the artists and craftsmen who shape the most beautiful creations inspired by Nature. For nearly 200 years, this relationship with Nature has been a very distinctive characteristic of Guerlain: we develop this DNA and this connection at every level, and particularly in the artistic expression of our House. In 2019, Guerlain initiated eco-collaborations with eminent artists, inviting them to make subtle combinations of circularity and art.

In 2018, **Celia Pardini** decorated Boutique 68 with an impressive, vivifying floral installation entirely made of cardstock.



In 2020, **William Amor** brought new enchantment to the crystal quatrefoil Mon Guerlain Bloom of Rose bottle by adorning it with blossoms in full bloom made using plastic bag recuperated along the beach. In 2021, the ingenious **Kevin Germanier** brought an ecological lift to our iconic Bee Bottle - Cuvée Secrète. Much like the Empress Eugénie de Montijo, who in her time supported the budding world of Parisian Haute Couture, Kevin Germanier – an emblematic artist of the new generation of fashion designers who are aligned with tomorrow's ethical concerns and challenges.



In 2022, Guerlain presents a new, unprecedented Exceptional Piece, a unique artistic one-off. The ultimate celebration of the House's symbol, the Bee – which has always been its source of inspiration and commitment to the environment –, this work of art is entirely created by bees. In collaboration with the Slovakian artist **Tomáš Libertíny**, the House proposed an unprecedented creation: the emblematic Bee Bottle, swept away into a timeless, poetic world.

The works of Tomáš Libertíny highlight the building power of bees. His practices combine the technical side of industrial design with the poetry of art to create objects that question the interactions between Nature and Man.

The artist gave the bees full freedom to work and take their time. They adorned the bottle with a honeycomb-patterned coating identical to that of a beehive. The piece is like none other in the world, bearing a message of commitment, raising Nature to the status of Art, with the Bee as a sentinel.

The Guerlain Master Perfumer created an exclusive fragrance to go with the bottle: Le Jardin de la Reine ("The Queen's Garden"). An eau de parfum made with 90% ingredients of natural origin that evokes a lush garden where the most exquisitely fragrant flowers grow, and where bees gather nectar to produce precious perfume. An ode to beauty and natural ingredients.

Guerlain is committed to a participative, responsible work along with the brilliant artist **Béatrice Arthus-Bertrand**, Yann's sister. The idea for this collaboration? Upcycling the old bottles from the Aqua Allegoria collection (taken from obsolete stocks or that clients have brought back to the Boutiques for recycling). Thus, Béatrice reused nearly 500 bottles to craft a monumental chandelier that will be on exhibition at the Boutique on 68 Avenue des Champs-Élysées in Paris.

Such collaborations with up-and-coming artists enable Guerlain to highlight its support for, and from, a more responsible approach to Luxury.



FLOWERS, THE BEE GARDEN & UPCYCLING



Since 2020, the "Bee Garden" has brought beautiful stabilised wildflower compositions to our Boutiques, inspired by the Bee. Designed to be dreamlike and enchanting, these magnificent creations could only be reused. **The flowers were brought back to the Parisian Boutiques as decoration or given to various associations and organisations**, while the honeycomb that compose the structures were reused for the 2022 edition and for other events such as Christmas...

Another event, other flowers: the opulent decorations that Stéphane Chapelle created to promote Orchidée Impériale at our Parisian Boutiques were composed of fresh orchids that were replaced every two weeks. Since they were still in good condition, the orchids that were removed were then donated to École Du Breuil for use in the students' practical work.

ECO-FORMULATION AT THE HEART OF OUR PRIORITIES



The fruit of long research and development work, the formulas of our creations are one of our foremost priorities. Our House strives to develop ever more virtuous eco-formulated products, taking into account scientific, societal and regulatory developments without making compromises on safety, effectiveness or sensory appeal.

A stronghold of our commitment like the Eco-Design Committee, the Eco-Formulation Committee assembles the House's key transversal functions every six months: R&D, Marketing, Regulatory Affairs, Sustainable Development, and others. Its purpose: To decide upon the major formulation principles, to take stock of progress already made or that needs to be made, and to call on the scientific precision and the continual pursuit of innovation – particularly in terms of biotechnology and green chemistry – of the R&D team. The Committee's task is an ambitious one: to offer rare, precious, natural, sustainable beauty in keeping with the House's historical distinctiveness.

OUR ECO-FORMULATION APPROACH IS BASED ON THREE MAJOR AREAS

An exacting formulation charter

Our House is strongly committed to developing products with the most virtuous ingredients possible while ensuring optimal safety, unparalleled effectiveness, and extraordinary sensory qualities. While our R&D teams have always been rigorous about scrupulously selecting the raw materials that go into our creations, we have chosen to increasingly and continually reinforce the exactingness of our charter since establishing our eco-formulation committees, going far beyond regulatory expectations and making it one of the strictest charters in the luxury industry. We have decided to exclude more than 100 controversial ingredients from all our new skincare and make-up creations since 2023. Our entire product portfolio is also currently being reformulated in a progressive way to address our new requirements.

Natural ingredients and sustainable sourcing channels

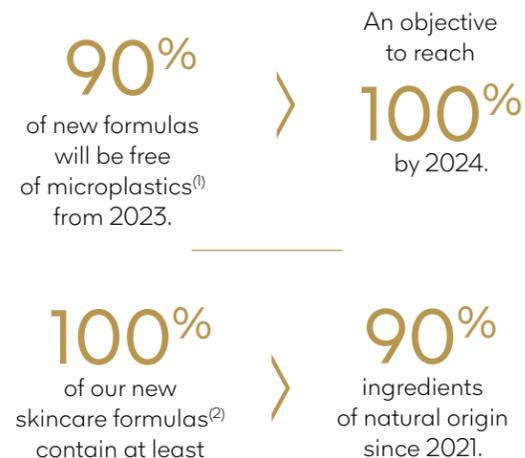
Our House has been inspired by Nature for nearly 200 years. In keeping with our DNA, whenever possible, we seek to substitute synthetic ingredients with natural raw materials. Choosing natural options in the development of our products requires us to manage our raw materials in a very rigorous, sustainable way. We cannot draw on nature's resources inconsiderately, since otherwise we might end up destroying what we most wish to protect. And so we surround ourselves with the best specialists to determine a sustainable sourcing strategy that makes it possible to reconcile our ambitions for product development and for the protection of biodiversity.

Transparency and traceability

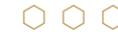
In 2019, we began to take a pioneering approach – in the luxury world – in matters of transparency with the launch of the Bee Respect platform, enabling our clients to completely trace the products and all their components. After skincare, we added make-up in 2020, and we are progressively integrating perfume, of which the full catalogue will be available on the platform by the end of 2022.

IFE INDEX: QUANTIFYING TO TRANSFORM AND DEVELOP

Our eco-formulation approach is based on the measurement called the Index Formulation Eco-conceived (IFE), **based on six criteria:** natural ingredients, traceability, environmental impact through biodegradability and eco-toxicity, sustainability, the substitution of controversial ingredients, and the quantification of the number of ingredients required. Supported by recognised international standards (such as ISO 16128, Social Hot Spot database and the Product Environmental Footprint frame of reference), it enables our formulation teams to score each of our products to quantify their performances and develop them when necessary.



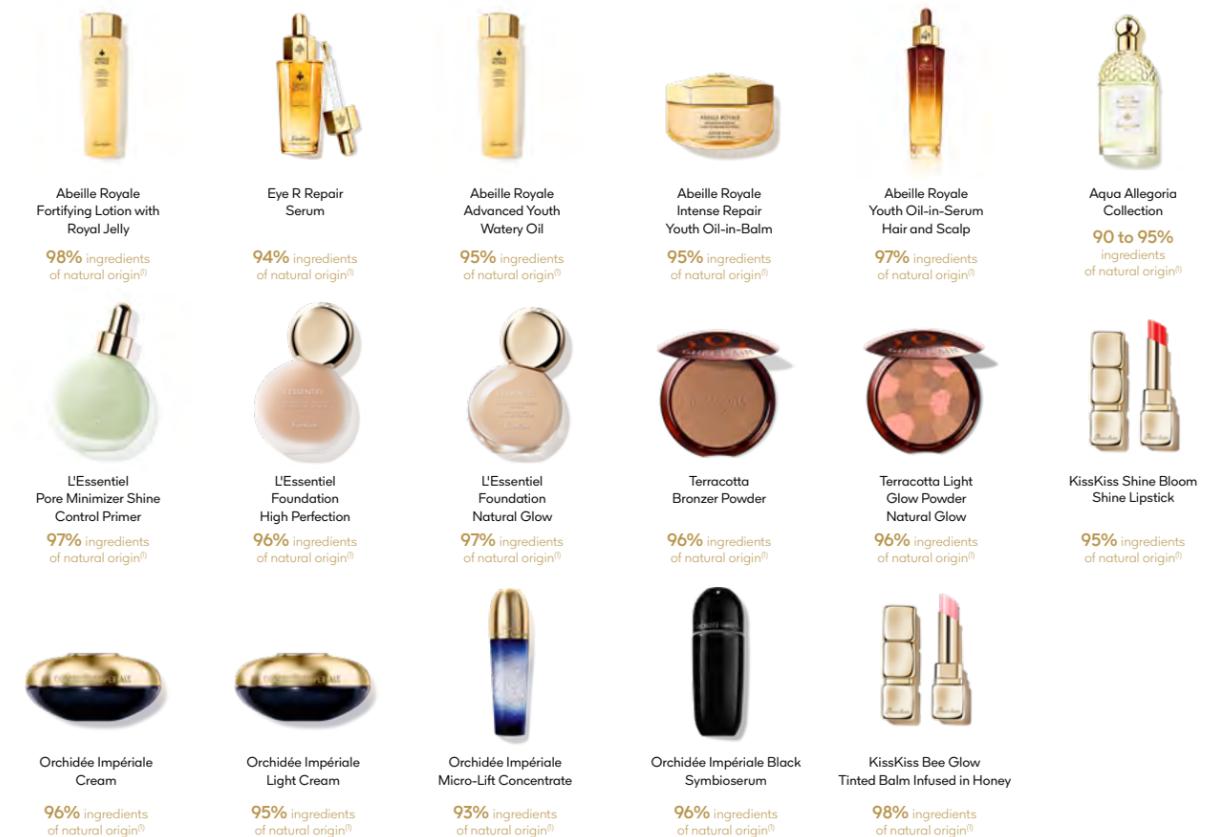
90% NATURAL FORMULAS: A QUANTIFIED OBJECTIVE RATHER THAN A FRANTIC RACE



While all our skincare formula⁽¹⁾ innovations since 2021 have featured at least 90% ingredients of natural origin, the challenge is more difficult when the principle is applied to make-up formulas, which must, above all, offer vibrant colours and effects that are traditionally associated with synthetic ingredients. We are therefore setting the same objective for our make-up innovations – 90% ingredients of natural ingredients – whenever possible, but we know that achieving that level in some product types, such as eye shadow, will take longer. For the foundation and lip categories, our R&D teams have managed to rise to the challenge since 2019, with some of the greatest proportions of ingredients of natural origin on the market. Reinventing the legendary Terracotta bronzer, then its "light" version with more natural ingredients, while maintaining the same natural effect, turned out to be particularly difficult. Their new version, formulated with 96% ingredients of natural origin, required **years of research** and screening to find the right natural powders that create just the right veil effect. Another example is the removal of silicones from our foundations, which we began to research in 2017. The formulation of L'Essentiel literally required our teams to "start over from scratch".

We do not consider it pertinent to strive for 90% ingredients of natural origin in all our ranges. That percentage requires special care, in order to limit the exposure to the allergy risk and not undermine the durability of the formula. Using maximal natural ingredients and minimal synthetic ingredients in a perfume concentrate also limits the creative fragrance palette of our perfumers. These alchemists from generation to generation have also been using synthetic elements since 1889, such as in the creation of Jicky, the world's first synthetic unisex perfume. Essential in reproducing the notes of certain "mute" flowers, synthetic ingredients can also be a great boon to natural ingredients to intensify their notes or to create new accords that delight the senses.

In order to keep its strongly Nature-inspired position coherent, we reformulated the Aqua Allegoria range and our Allegories of Nature by integrating the greatest possible portion of raw materials of natural origin (between 90 and 95%) into them without compromising on their fragrance quality or durability.



(1) Calculations based on ISO 16128 including water

(1) Based on the definition proposed by ECHA in January 2019, currently being discussed before definitive adoption

(2) Excluding skincare with a sun protection factor

BEE RESPECT: FULLY TRANSPARENT ECO-INNOVATION

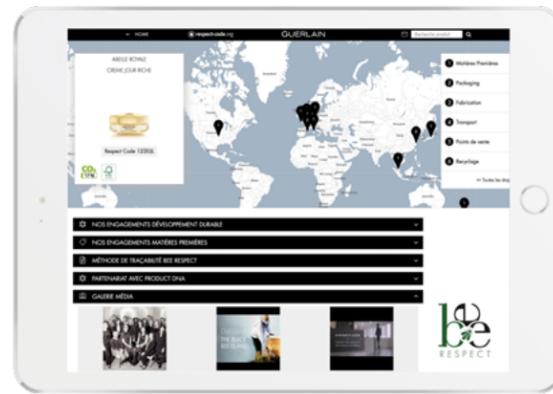


For more than four years, the Maison Guerlain has been going through a long, rigorous process to map our products' life cycles. In 2019, we launched "Bee Respect", our platform for transparency and traceability developed in a partnership with the Product DNA company (architects of traceability).

Anyone may consult it on our website, guerlain.com; and for our in-house teams it is a precious tool for continuous improvement (particularly of our environmental impact) from the flower fields to our clients.

This digital platform for transparency and traceability makes it possible to collect **information about the ingredients and their provenances, their packaging components, their places of production, their providers, and their carbon footprints.**

It is one of the most comprehensive applications on the Beauty market, offering a **full visibility over the entire product life cycle** and addressing a considerable demand on the part of our clients, particularly after the pandemic crisis that the world has known. The traffic on "Bee Respect" increases more and more each month.



OUR AMBITIONS TO COME

To share the behind-the-scenes of our products ever more broadly and easily.

- **To progressively integrate all our references** (skincare ranges in 2019, make-up in 2020, perfume in 2021). Objective: 100% of our creations (excluding limited editions) traced by end 2022.
- **An international launch** (Europe in 2021, Asia and North America in 2022), in the language of each country.
- **Developments in terms of ergonomics** (more intuitive navigation, an updated design) **and content** (focus and details on emerging subjects or those acclaimed by our audiences, such as recycling at the end of the life cycle, for example) are planned for 2022.



TRUSTED THIRD-PARTY PARTNERS SYNONYMOUS WITH EXCELLENCE



Guerlain follows very strict rules in matters of eco-design and eco-formulation. These standards may be acclaimed, challenged or criticized in order for trusted third parties to provide additional support to the general public. We are very attentive to them, and we continually monitor the current societal debates to better address the increasing aspiration of our clients, particularly in terms of natural ingredients, or in withdrawing certain controversial ingredients.

THE GREEN SHOWCASE OF DISTRIBUTOR PROGRAMMES

An increasing number of responsible beauty programmes are emerging in the distribution world (department stores and specialised brands in particular). We have counted approximately fifteen throughout the world, all ambitious and increasingly exacting, which make it possible to establish markers stamped "Good", "Clean", "Green" or "Responsible" in the store or on e-commerce sites. This new retail demand – held up as a showcase and greatly acclaimed by our clients since it inspires trust – is becoming the new standard.

While each initiative establishes its own specifications, it is not rare for some criteria to be held in common. And so, to respect the frames of reference, products must be "formulated free of" a list of ingredients that the brand determines, often following controversy; but also, in Europe, formulated to be increasingly "natural" (90 to 95% minimum percentage of ingredients of natural origin required). **The traceability of ingredients, the ethics of sourcing, or the attribution of labels** are also in demand. Increasingly, moreover, criteria relating to eco-design complete this frame of reference: **refillability, recyclability, "plastic-free", or including percentages of recycled material content in packages** are the most widespread examples. These requirements are an integral part of our sustainable innovation strategy.

Our latest innovations are therefore eligible for these programmes. Thus a number of skincare innovations, the latest KissKiss and Terracotta launches, and more recently the L'Art & la Matière and Aqua Allegoria collections have almost all joined one or several of these initiatives, like the "Good For Sephora" programme or the "Go For Good" programme of Galeries Lafayette, which highlight natural formulas, refillable packages and responsible sourcing channels, among other features. With a notable success on the other side of the Atlantic, **Guerlain is one of the first Luxury Perfume and Cosmetics Houses to join Sephora's most high-profile American programme, "Clean At"**. It showcases formulas which comply with a long "No List" of non-authorized ingredients, making it possible to earn a green dot.



LABEL REQUIREMENTS: NOT JUST ANYTHING

There are a number of labels regarding organic, natural and non-toxic ingredients, each of which call for different criteria. Very few of them are regulatory.

We emphasise demonstrable claims and those that interest our consumers:

- The ISO 16128 standard for the percentage of natural ingredients
- The UEBT to qualify the social and environmental improvements of our sourcing channels
- The "Bee Respect" platform for traceability
- The responsible Perfumes & Cosmetics purchasing charter of the LVMH Group for societal and environmental commitment
- The analysis of the life cycle of our creations for environmental commitment

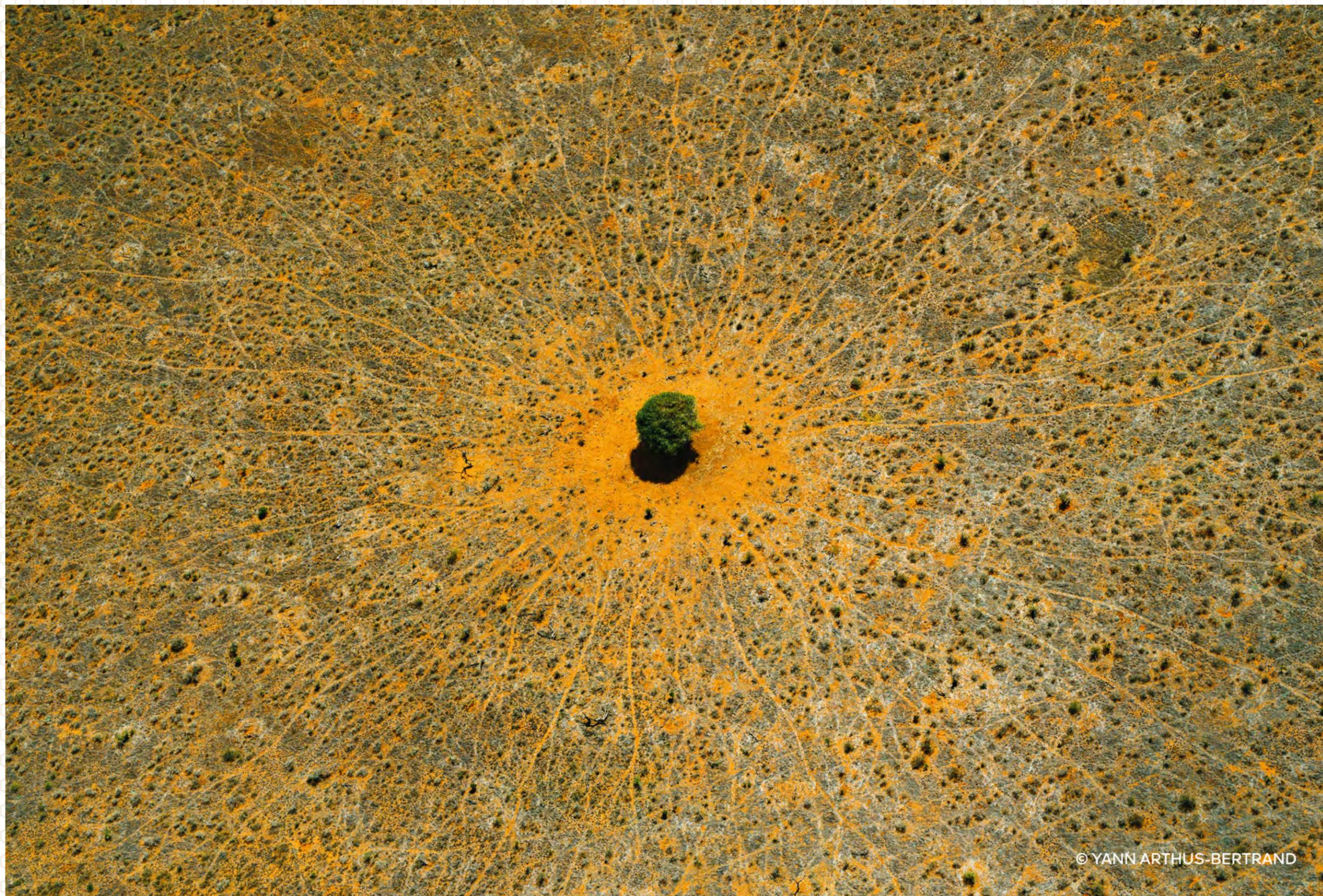


660
ingredients traced
in 2022

250
employees & partners
working to keep it operational

40
providers
& partners recognised

CLIMATE



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TREE OF LIFE IN THE TSAVO EAST NATIONAL PARK (KENYA)

A symbol of life in the immense expanses of spiny savannah, this acacia in the Tsavo East National Park is the converging point for all the tracks of wild animals that visit the tree for its leaves or shade.

THE VIEW OF
Usbek & Rica

TRAVELING WITHOUT DISTURBANCE

In just a few centuries, Homo sapiens has managed to trick Time. Two hundred and fifty years ago, it took two days of stagecoach travel to cover the eight days on foot – 300,000 steps – between the French and Belgian capitals. Fifty years later, it only took twenty-four hours. Another few decades later, it took twelve, then six, and then three hours by train. Today you can travel from Paris to Brussels in barely one-and-a-half hours by high-speed train, or in fifty minutes by plane.

By defying Time, Homo sapiens defied Space. He has brought distant places closer and connected people all over the Earth together. By always going harder, further and faster – borne by the fantastic energy provided by petrol –, he has thumbed his nose at Nature's rhythms.

Globalisation goes faster than the Earth's own pace. Today, a smartphone might circle the globe up to twenty times – for a total of 800,000 km / 497,097 mi – before reaching the end client.

But churning the economy faster than the Earth's own pace will only work for a time. We are exhausting our home and burning its resources... Our own resources. Should we just stop altogether? The latest report by the Intergovernmental Panel on Climate Change (IPCC) is very clear on this subject, plainly stating that restraint and degrowth are the way of the future. However, degrowth does not mean slowing down or stopping, but rather reconsidering our objectives, and the manner and time frame in which we will reach them. Often going about things better takes us further than going about them quickly.



ACTING FOR THE CLIMATE AND REDUCING OUR FOOTPRINT



The Maison Guerlain, its partners and its service providers are absolutely determined to face today's climate challenges, which also involves the available local and international infrastructures. For its part, Guerlain assesses its greenhouse gas emissions each year (according to the Bilan Carbone® and GHG Protocol methods). This has made it possible to determine that transports are the category that most contributes to its greenhouse gas emissions.

We are reorganising to reduce this impact.

We have set ourselves the objective of carbon neutrality across all our scopes (1, 2 and 3) by 2030. It is an ambitious project, but still a realistic one. To do so, we are working to reduce all the greenhouse gas emissions (GHG) categories, getting every participant in our sourcing channels involved, particularly through the ISO 14001 certification, of which we apply the principles to frame our approach.

100%

renewable energy in France
(green electricity & biomethane)
since July 1st 2021

100%

of our subsidiaries will be certified
ISO 14001 by the end of 2022
(56% today throughout the world)

OUR CLIMATE STRATEGY IN TEN KEY POINTS

01

Guerlain had its greenhouse gas emissions reduction objectives approved by SBTi across all its scopes (1, 2, and 3) in its extended sourcing channel.

02

By 2030, Guerlain is committed to reducing its greenhouse gas emissions by 47% compared to 2019 on scopes 1 and 2.

03

By 2030, Guerlain is also committed to reducing emissions relating to the purchase of goods and services, transport and distribution by 57% (per ton of finished products).

04

By 2025, Guerlain is committed to ensuring that 45% of expenditures for the purchase of goods and services are paid to suppliers who are also committed to a trajectory framed by the SBTi.

05

Guerlain is aiming for carbon neutrality on scopes 1 and 2 by 2023 through emissions reduction: improvement of energy efficiency and transition to renewable sources of energy, followed by contribution to the increase of carbon sinks.

06

Guerlain uses energy from 100% renewable sources within France.

07

Guerlain is setting itself the objective of having 100% of its sites throughout the world ISO 14001-certified (100% in France and 56% in the world are currently certified).

08

Guerlain raises awareness among its employees on the subject of energy transition by sharing the initiative led by Selectra and the WWF, which consists of selecting a green energy provider.

09

The Guerlain buildings are specially designed for carbon neutrality, demonstrated by the various certifications that they have received (HQE, BREEAM, LEED...)

10

In 2013, Guerlain was the first company in France to use a 100% electric 16-ton lorry. This experimentation has made it possible to collect and share precious feedback with Renault Truck and to develop a production vehicle, the ZE, which we have been using since February 2022.

GUERLAIN, A COMMITTED REPRESENTATIVE OF THE “GRAND DÉFI DES ENTREPRISES POUR LA PLANÈTE” (“GREAT CORPORATE CHALLENGE FOR THE PLANET”)

As part of its commitment to protecting the planet, the Maison Guerlain has become a committed representative of The Great Challenge of Companies for the Planet. This unprecedented participative initiative rallies businesses, institutions, communities and civil authorities around a shared objective: to formulate **100 priority proposals for action** – concrete, ambitious, realistic, verifiable proposals – to step up the ecological transition. In addition to its financial support, Guerlain will participate alongside the other representatives and partners of The Great Challenge: it will raise the principal questions relating to climate change and the decline of biodiversity and then formulate proposals. The House will also bring its support to the dissemination and roll-out of the measures selected at the end of the process.

CARBON-NEUTRAL ON OUR THREE SCOPES BY 2030



This carbon neutrality will be reached in two steps: firstly, by significantly reducing our greenhouse gas (GHG) emissions according to our SBTi-approved objectives; and secondly, by contributing to projects that prevent emissions and capture carbon in an amount equivalent to the emissions that we are not able to reduce.

SCOPES 1 & 2: BY 2023

The total of our greenhouse gas emissions on scopes 1 and 2 was 1,559 MTeqCO₂ in 2019. To reach carbon neutrality and contribute to the world's carbon neutrality, Guerlain uses three drivers in this order of priority.

- Since July 2021, our "La Ruche" site has ceased the use of natural gas and now uses 100% biomethane. Obtained through the purification of biogas – itself produced through the fermentation of organic waste –, biomethane is a source of entirely renewable, non-fossil energy. This transition to a "green gas" – and moreover one that is produced in France – will enable the Guerlain factories to reduce their carbon footprint by 92%, or 1,000 equivalent metric tons of CO₂ annually. The remaining 559 MTeqCO₂ of the total 1,559 will be managed using two other drivers.

- For our highest-consuming sites to periodically perform energy audits and actions to reduce their energy consumption.

- CO₂ capture and avoidance for the remaining emissions. Our priority is to reduce our emissions, but some are incompressible for technical reasons. In 2022, we decided to support agricultural projects for GHG emissions reductions with the France Carbon Agri Association (FCAA). It has been determined that these two projects, both underway in the département where our "La Ruche" production site is located, will reduce 1,243 MTeqCO₂ (results of pre-audits conducted on-site). These projects are being assessed by the Bas Carbone label to verify the implementation of action plans over a five-year duration. Meanwhile, we also work with the company Epiterre in order to develop honey-yielding wildflower areas and Alfalfa fields in the same geographical area to provide more sustenance for pollinators and foster plant coverage favourable to biodiversity.

SCOPE 3: BY 2030

Scope 3 represents the greatest portion of Guerlain's GHG emissions. Among these, transports represent a very substantial driver for progress, and we are working to roll out a number of initiatives and measures. More than half of our emissions are caused by air transport. Throughout all our scopes, upstream logistics represent

54%, and 99% of these are due to air transport. That is why, with our subsidiaries, we share the intention to **prioritise maritime transport** in order to satisfy our most distant clients, as much as the House can. Packaging eco-design – reducing the weight-to-volume ratio – is also a strong area for our carbon footprint lightening policy (see p.48), as is the **prospective management of our product launches**. These include a waiting period, allowing for maritime shipping. Moreover, we accompany our logistics teams with **CO₂ indicators and calculating tools** which enable them to consult the emissions of each transporter for each trip, and to select the most virtuous among each, if applicable, according to the limitations and turn-around times required. We are also conducting **rail transport tests** between Europe and Asia, an intermediary solution in terms of time and CO₂ emissions compared to air transport.

NET ZERO INITIATIVE

Guerlain is a pilot House selected by the LVMH Group to take stock of its maturity according to the Net Zero Initiative:

- To evaluate and complete the operations on each of the three pillars of the Net Zero method.

- To determine the Net Zero scope pertinent for Guerlain

This frame of reference is based on the idea that an organisation must take three complementary actions proportionately with its scale in order to contribute to worldwide neutrality.

To contribute to the global decrease in emissions, it must:

1. Reduce its own direct and indirect emissions

2. Reduce the emissions of others:

- by commercialising low-carbon solutions, under certain conditions

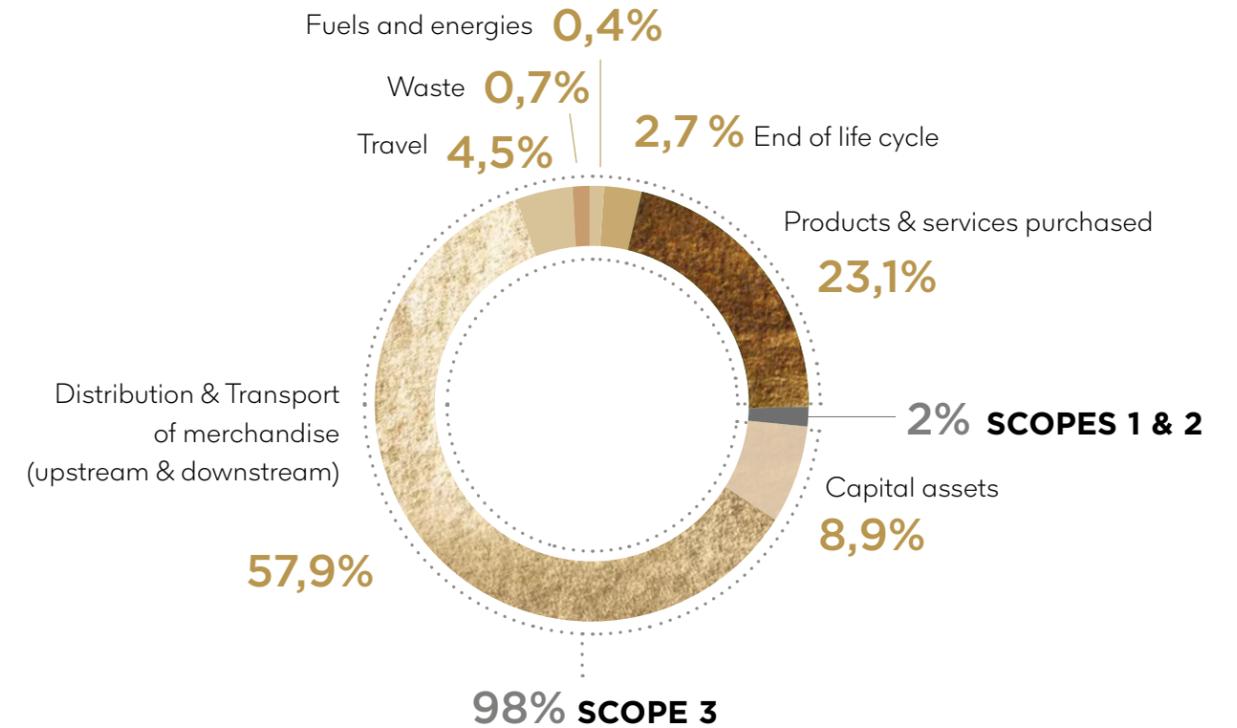
- by funding low-carbon projects outside its own value chain

To contribute to the increase of worldwide absorption, it must:

3. Increase carbon sinks:

- by developing carbon absorption within its own organisation and within its value chain

- by funding carbon sink projects outside its own value chain.



Our greenhouse gas emissions on scopes 1 and 2 represent

2%

of our total emissions

Our greenhouse gas emissions on scope 3 represent

98%

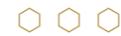
of our total emissions

THE BUMBLEBEE

Guerlain was the first company in France to use a 100% electric 16-ton lorry. Le Bourdon drives silently, in the night-time, releasing only low CO₂ emissions and no particulate emissions from its exhaust. Since 2013, it has been making deliveries to our headquarters and our eight Parisian Boutiques. This experimentation has made it possible to collect and share precious feedback with Renault Truck and to develop a production vehicle, the ZE, which we have been using since February 2022.

Since the beginning of its use, more than 60 tons of CO₂ have been saved compared to the use of the equivalent Diesel vehicle.

A QUANTIFIED, SUPERVISED, CONTROLLED APPROACH



ACCORDING TO THE PRINCIPLES OF THE SBTi (SCIENCE BASED TARGETS INITIATIVE)

In September 2021, the Science Based Targets initiative (SBTi) approved the House's commitment to reduce greenhouse gas emissions. These **science-based objectives** constitute one of the areas of our commitment: In the Name of Beauty. Indeed, Guerlain aims for carbon neutrality by 2030. The House's objectives are now in line with the Paris Agreement, which aims to limit global warming to 1.5 °C above pre-industrial levels.

- By 2030, Guerlain is committed to reducing its greenhouse gas emissions by **47%** compared to 2019 on scopes 1 and 2.
- By 2030, Guerlain is also committed to reducing emissions relating to the purchase of goods and services, transport and distribution by **57%** (per ton of finished products).
- By 2025, Guerlain is committed to ensuring that **45%** of expenditures for the purchase of goods and services are paid to suppliers who are also committed to a trajectory framed by the SBTi.

The SBTi is a joint initiative of the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resource Institute (WRI) and the World Wildlife Fund (WWF). It determines and showcases the best practices for setting science-based objectives, and independently evaluates corporate objectives.



ISO 14001 CERTIFICATION: 100% OF OUR SITES & SUBSIDIARIES CERTIFIED BY THE END OF 2022

Today, 56% of our subsidiaries and 100% of our France-based sites are certified (the production sites of "La Ruche" and Orphin, as well as Headquarters and our Parisian Boutiques).

Our ambition is that, by 2022, 100% of our infrastructures (23 sites and subsidiaries in all) will be ISO 14001-certified.

This staggering of objectives is a good illustration of what ISO 14001 is: a continuous improvement approach. Beyond the attainment of the certification, what motivates us are the processes that it provides and the objectives that it enables us to set.

It is a meticulous, case-by-case procedure.

We audit each of our subsidiaries according to a check-list of some hundred items, adapted to each site and sector of activity, to then determine the action plan to follow depending on the context. It is a joint project including points of control, discussion and reorien-

tation. Certain subsidiaries require more significant updates than others, particularly for reasons of differing national regulations.

In any case, it is a continuous improvement process.

The check-list results enable us to determine the priority actions to establish. The criteria can evolve according to innovations and current events. For example, 20 years ago, it would have been acceptable to not include LED. Today, it is a standard.

A virtuous, contagious movement.

Once shared, the check-list becomes a precious guide that the subsidiaries may use, and which they attentively follow up on, for example during relocations or renovations. Moreover, we often share our offices with other Houses of the Group, so all our initiatives in striving to reach ISO 14001 certification have broader positive impacts, reaching beyond the scope of Guerlain on its own.

RAMPING UP THE TEAMS' INVOLVEMENT ON THE SUBJECT



The team's involvement in challenges relating to Sustainable Development, which is essential, has recently been ramped up thanks to awareness-raising tools that offer each participant a better grasp of the subject: training in global issues, an e-learning course on the climate, another on biodiversity, and a third on the Bee (the "Bee School" programme, p.80) are a few examples.

In 2022, the members of Guerlain's Executive Committee launched the first session of The Climate Fresk. The Climate Fresk is a not-for-profit association founded in December 2018 of which the objective is to raise awareness of climate change through a serious collaborative game. It has become the edutainment tool of reference in enabling individuals and organisations to claim the climate change challenge for themselves. By sharing the understanding of the mechanisms involved, it gives rise to a serene, positive group discussion about the drivers for action. Guerlain will offer the training to all its employees.



SELECTRA: RAISING OUR EMPLOYEES' AWARENESS OF GREEN ENERGY

Having transitioned our "La Ruche" site to 100% biomethane, we are seizing upon the opportunity to raise awareness among our employees on the subject of green energy, in their personal sphere, by relaying the initiative supported by WWF and Selectra for more affordable green energy that better respects the environment.

The project consists of **selecting the best green energy provider (of biogas and electricity)** that could, thanks to a group purchase system, propose a lower rate (up to -7%) than the regulated rates. A questionnaire is sent to evaluate the significance of the offer and the volume of energy to determine the price. While these are only intentions to transition to green energy, **last year's conversion rate was no less than 20%**. This operation is a compelling way to ramp up the energetic transition, and we have extended it to all our employees in France.

BUILDINGS DESIGNED FOR CARBON NEUTRALITY



OUR "LA RUCHE" PRODUCTION SITE

We designed our "La Ruche" site as a laboratory and an example of sustainable innovation. Inaugurated in 2015 in Chartres, the HEQ-certified (Excellent level) "La Ruche" has moreover managed to **reduce its CO₂ emissions by 40% over five years**. Its transition to biomethane (in July 2021) will facilitate the **reduction of the site's remaining GHG emissions by 95%**. In the framework of our objec-

tives to reduce our GHG emissions, we have undertaken projects to reduce our energy consumption and to support virtuous agricultural projects. In 2016, "La Ruche" brought Ouessant sheep into the surrounding green spaces for **eco-pasture grazing**, a form of maintenance that requires use of no thermal machines or agrochemicals.



THE LVMH GROUP UNVEILS ITS COMMITMENTS TO THE PROCUREMENT OF BIOMETHANE ENERGY WITH ITS PARTNER SAVE ENERGIES

The countries participating in the United Nations Climate Change Conference gathered in Glasgow from October 31st to November 12th 2021 to discuss solutions to keep global warming below +1.5°. In this context, and because it is aware of the urgency, LVMH has been continuing its efforts to reduce its greenhouse gas emissions, in keeping with its LIFE 360 environmental strategy (LVMH initiatives for the environment).

Among the Group's prominent commitments are decarbonation, with the aim to reduce **50% of GHG emissions relating to energy consumption throughout all its sites and Boutiques by 2026** (compared with 2019), particularly through a 100% renewable energy policy. It is in this perspective that LVMH chose SAVE Energies (Société d'Approvisionnement et de Vente d'Energies) to provide all

its France-based factories and sites with green gas, to replace its conventional gas consumption, beginning in 2023 for a three-year duration. This renewable gas, also known as **biomethane**, is emerging as the best driver for greener heating and fuel usage, **reducing CO₂ emissions in gas consumption by 81%**. The second largest purchaser of biomethane in France, SAVE Energies produces the fuel in anaerobic digester units located within Metropolitan France (agricultural and household waste from the agri-food industry, scraps from collective catering, and sludge from treatment plants).

Some of the Group's Houses already use biomethane. Such is the case for Guerlain, which has been committed to SAVE Energies since July 2021 to reduce the emissions arising from its manufacturing processes.

NEW HEADQUARTERS AT LA SAMARITAINE

The Headquarters' relocation (at the end of September 2021) and the opening of the new Guerlain Boutique (January 2022) at La Samaritaine have made it possible to roll out a number of initiatives to support our GHG reduction objectives.

This complex worksite, involving both renovation and new construction, followed **ambitious specifications** dictated by the respective responsible approaches of both Guerlain and La Samaritaine, to which both are **mutually committed**. Our installations are part of the continuing committed approach of La Samaritaine, which brought special attention to its compliance with our (many) environmental requirements.

What does that mean in concrete terms? **Establishing a strategy to reduce GHG emissions** (priority renewable energy sources such as geothermal, thermal rehabilitation, etc.), **waste management** (reusing or collecting for reclaim) during and after the construction and renovation work, **choosing virtuous and healthy materials and**

equipment (eco-label paint with low VOC emissions, LED lighting with automatic switch-off at the end of the day, high-quality materials sourced as locally as possible, etc.), and **installations** which optimise both comfort at the workplace and energetic restraint (optimised natural light, bike lots, etc.). We limited the flow of water in the sanitary facilities and equipped them with solenoid valves in case of a leak. These same facilities feature a rainwater recuperation system. As for isolation and thermal comfort, these are provided by a three-layer coating of the outside walls.

Of course, waste sorting is very strongly encouraged, and each work area includes a voluntary collection zone in order to recycle as much inevitable waste as possible.

As for travel – in addition to the advantageous location of the site for public transport –, sheltered, secure zones are provided to accommodate up to 100 bikes, and some scooters are available in the basement of the building.

THREE CERTIFICATIONS OF EXCELLENCE

FOR OUR RIVOLI BUILDING:

- BREEAM 2009 Europe Commercial 2009: Excellent Level Offices • HEQ Exceptional Level "Tertiary Buildings"

- LEED "Core & Shell" Gold Level pending

Meanwhile, Guerlain is aiming to have its Rivoli installations certified by the BREEAM International Non-Domestic Refurbishment 2015 Part 4 – Interior Design.

FOR OUR PONT NEUF BUILDING (STORE 3):

- LEED "Core & Shell" Gold Level pending





SOCIETAL

DUGOUT CANOE ON THE NIGER RIVER IN THE GAO REGION (MALI)

Considered the largest fish reserve in Africa, this river is endangered by human pollution, giving rise to waterborne diseases and threatening both biodiversity and human survival in the surrounding region. A broad three-party programme (PIDACC) was launched in 2020 to improve the resiliency of its eco-systems, thus making it possible to combat poverty in rural areas as well as the rural depopulation of young people through job creation.

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THE VIEW OF
Usbek & Rica

EMPOWERMENT

Homo sapiens should not just contain human activity below the planet's limits; he must also maintain them above the minimal fundamental social rights of every inhabitant⁽¹⁾ of the Earth. Among these essential rights are healthcare, food, access to water, peace, justice, equality, housing, transport, education, and so on. The United Nations itself has established such a list in its a definition of sustainable development objectives, including the right to work and fair pay. Any society that hopes to prosper in the future must also ensure that each member receives these prerequisites, at a minimum. Society must also enable communities to become emancipated through every aspect of their lives: work, social interactions, art and culture.

In the last few years – through economic, diplomatic, environmental and health crises – the planet's ceilings have shatte-

red, and the floorboards have given way. Populations already living in poverty were already underprivileged, and their everyday lives have deteriorated more strongly and quickly than ever. In 2022, nearly half of the world's population survives on less than two dollars per day. Even in the most privileged countries, whole social groups have seceded, accentuating the "archipelisation" phenomenon among our societies.

Human dignity is an objective in itself, and maintaining social minimum is the mission of all. As much as each of us can, we should demonstrate that we are inclusive (towards the interior) and emancipatory (towards the exterior). These are two movements of a single pendulum that sets the pace for a world where people feel more supported and more autonomous.

(1) Kate Raworth, The Doughnut Economy



**TO SUPPORT WOMEN THROUGH THE "WOMEN FOR BEES" ENTREPRENEURIAL BEEKEEPING PROGRAMME IN PARTNERSHIP WITH UNESCO IN ITS BIOSPHERE RESERVES ACROSS THE WORLD.
TO RAISE YOUNGER GENERATIONS' AWARENESS OF BIODIVERSITY AND BEE PRESERVATION VIA "BEE SCHOOL", A VOLUNTEER PROGRAMME FOR GUERLAIN EMPLOYEES.**

Guerlain has always been inspired by beauty: it is our profession, our passion, and now our responsibility, since it is part of our Raison d'Être: "We are working to create and shape a more beautiful, more responsible world together." Whether that means the world's beauty – present or future – the beauty of a gesture, the beauty that restores confidence, or the beauty of working towards a more prosperous future... Our expertise is there for beauty, but also for good: that is our guideline, directing all our actions in favour of a more cooperative, fair world to offer a better resistance to climate change, adversity and injustice. This intention is clear in international programmes such as "Women for Bees" and the "Bee School", as well as in more local ones, through care and gestures that are provided when people most need them, such as when they are faced with illness, destitution or solitude.

By 2025

50
women beekeepers

trained & guided in the installation of their apiary exploitations as part of "Women for Bees" X UNESCO

By 2025

25
biosphere reserves

will host the "Women for Bees" X UNESCO programme

6 000
children taught

as part of the "Bee School", in 10 countries in 2021

"WOMEN FOR BEES" AND SO MUCH MORE



After two years of meticulous preparation, the "Women for Bees" programme was officially launched in the beginning of 2021. It is presented in a partnership with UNESCO-MAB (Man and the Biosphere), an intergovernmental scientific programme with which the LVMH Group is associated. It aims to protect biodiversity and to promote sustainable practices by **combining ecological dimensions with social and economic ones**. Those are precisely the objectives borne by our "Women for Bees" programme, which continues its roll-out with the launch of a new cohort in Cambodia.

AN INITIAL ROLL-OUT THROUGHOUT 25 BIOSPHERE RESERVES

The objective of this cutting-edge objective is **to develop apiary exploitations of reference within UNESCO biosphere reserves**, some of which are home to the House's sustainable sourcing channels. Here are the UNESCO biosphere reserves that were involved in the first two years of this programme: the Iroise Islands and Sea, the South Moselle, Fontainebleau-Gâtinais, Camargue and Mount Ventoux (France), La Sila (Italy), Terres de l'Ebre / Montseny (Spain), the Balkans (Bulgaria), Kozjansko & Obsotelje (Slovenia), Katunsky (Russia), Tonlé Sap (Cambodia), Volcanoes National Park (Rwanda), and Xishuangbanna (China).

PARTICIPATING MORE BROADLY TO POLLINATION AND THE WORLD'S FOOD SECURITY

Pollinating insects, and principally bees, pollinate **one-third of the crops grown as food**. But those crops are not just fruits, nuts or vegetables. Bees also pollinate lucerne, which is grown as food for cows, and many other crops indirectly related to human food.



BIOSPHERE?

A biosphere reserve is a site designated by national governments and recognised by UNESCO.

Its mission is to:

- reconcile the conservation of natural and cultural diversity with economic and social development
- test and develop innovative Sustainable Development approaches locally and internationally.



A NEW "WOMEN FOR BEES" TRAINING PROGRAMME IN CAMBODIA

As an extension of the first "Women for Bees" training programme, which was held in the south of France in 2021 at the OFA (French Observatory of Apidology), the Maison Guerlain launched a **new training cycle** in partnership with UNESCO-MAB. The programme assists eleven up-and-coming women beekeepers from rural communities selected by the UNESCO team based in Phnom Penh, **in collaboration with the Maddox Jolie-Pitt (MJP) Foundation** in Battambang. Angelina Jolie, Guerlain's muse and Godmother of the 2021 and 2022 cohorts, officially inaugurated the new edition there, in the company of Aggelina Kanellopoulou, graduate of the 2021 cohort, and Cécile Lochard, Guerlain Chief Sustainability Officer.

Through this skill development programme, the eleven budding beekeepers will acquire the **theoretical knowledge and abilities** required to establish and manage a sustainable apiary exploitation. They will also discover the specific importance of bees in Khmer history, as well as the distinctive features and challenges of conserving the bees indigenous to Cambodia. As new entrepreneurs and ambassadors, the Cambodian women will become members of a **worldwide community of women beekeepers** who will actively improve local biodiversity, passing along their knowledge about the crucial role of pollination in food security and the protection of ecosystems.

"MJP has supported programmes on wild bee conservation and beekeeping for years. It is one way to provide a livelihood for families that is flexible, sustainable and balances forest conservation with providing for the community. The Women for Bees programme is building upon this work by introducing us to these special native single bees. This partnership with UNESCO and Guerlain will enhance the knowledge, expertise and hard work of people in this community and help us to develop sustainable business." Angelina Jolie

"Thanks to the Women for Bees programme, the role played by women beekeepers around the world is recognized for the first time. Never has Guerlain carried out a project of such magnitude. We feel proud that this programme, which emphasises the role of women as "designers of change", is now rolling out in Cambodia after France in 2021. Our consideration goes out to the eleven Cambodian women who joined the training programme and for their personal dedication to bees." Cécile Lochard, Guerlain Chief Sustainability Officer.

The roll-out of the "Women for Bees" programme will continue in the years to come throughout the world's UNESCO biosphere reserves.



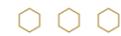
ECONOMIC SUPPORT OF A REGION

Apiculture can generate **significant revenue** in rural communities for underprivileged populations who are not land-holders or for small and medium-sized family-based agricultural exploitations which are not operating at their full potential. Moreover, it can provide revenue, which in turn improves food security, particularly **in regions where agricultural production is marginal**.

2,500
beehives installed
within **25 UNESCO**
biosphere
reserves

125
million bees
repopulated by **2025**
according
to our estimations

BEE SCHOOL: RAISING AWARENESS AMONG THE NEW GENERATION



For more than 10 years, defending the Bee has been central to our responsible commitments. And we know that one of the key means to achieve this objective is through education. Deep, lasting change can only come about by raising awareness among the younger generations. It is in this spirit that, in 2018, the "Bee School" was developed: a broad **awareness-raising programme for primary school children** which has had such success that it has increased in scope and ambition over the last two years.

A SYSTEM THAT (ALSO) GETS EMPLOYEES INVOLVED

The "Bee School" invites each of the 3,700 Guerlain employees to become a spokesperson for Sustainable Development, and more precisely for our commitment in favour of bees, by speaking at the establishment of their choice (not only primary schools, but also recreational centres, hospitals, etc.). The participants are first trained in educational content, challenges and techniques, and are provided with a full instructive kit containing everything they need for a two-hour session with children aged 8 to 10. After **discussions, question-and-answer sessions, workshops and games** to test their knowledge, the children receive a "Bee School" certificate. Of course, this awareness-raising programme makes no mention of the Guerlain brand.

CONTENT EXTENDED TO GLOBAL ENVIRONMENTAL CHALLENGES

After two years which have confirmed the success of the programme and made it possible to perfect it through employee feedback, we have developed **five different versions of the educational kit** geared to different age groups (5 to 12 years of age). Its content is the fruit of a partnership between UNESCO, the OFA (French Observatory of Apidology) and the Elyx Foundation (Elyx is the United Nations' mascot), in addition to the scientific assistance of the International Union for Conservation of Nature (IUCN). The objective is **to go beyond the subject of Bees** (domestic and wild), and to begin addressing the challenges of biodiversity, pollination, climate change, and more.



THE FIVE OBJECTIVES OF "BEE SCHOOL"

To enable children to:

- 1 **BETTER UNDERSTAND THE CHALLENGES OF BIODIVERSITY** and climate change
- 2 **UNDERSTAND THE ROLE OF BEES** in everyday life and raise awareness about their protection
- 3 **DETERMINE SIMPLE, CONCRETE ACTIONS** that they can implement
- 4 **EXPERIMENT** and foster their taste for discovery
- 5 **BECOME** eco-committed citizens

A FRENCH SUCCESS, INTERNATIONAL ROLL-OUT

It is also going international, and is translated into some ten languages to enable Guerlain employees to speak throughout the world. A **digital platform** was also created to foster their organisation, record their classes, enable them to train online, provide the supports of the kit, and offer an opportunity to share feedback.

A POWERFUL TOOL FOR COHESION AND FOR RAISING AWARENESS IN-HOUSE

The programme, which began as a test, has quickly convinced not only young students, but also employees. In 2021, each employee – from the Executive Board to the subsidiaries to Headquarters to the Boutiques and production sites – spent a summer day working on the "Bee School" operation. It was coordinated as part of the Journée Engagée ("Committed Day") that the House offers Guerlain employees throughout the world.

It is a fun, fulfilling opportunity for everyone to not only feel useful by passing along an engaging message to the younger generations, but also to raise awareness and often themselves learn more about our historical commitment to protecting Bees. To reinforce mutual encouragement and team spirit, **sessions are now held by pairs of volunteers.**

Objective 2025

100%

of employees will have led at least one "Bee School" session in the world

FEEDBACK FROM THE TEAMS INVOLVED IN THE "BEE SCHOOL" OPERATION

"I have learned a lot through the Bee School experience. I have noticed that the new generation is very enthusiastic. Seeing those children's eyes sparkle, I felt very proud to belong to the Maison Guerlain."

Julie Wisniewski, Marketing Director of Guerlain France

"What surprised me most is the children's knowledge of the subject, and how concerned they feel. It was a joyful, very inspiring experience."

Nathalie Elbaz, Market Director of Guerlain France

"Participating in the Bee School project was a great source of inspiration for me. This new generation shows great commitment to environmental protection, and their participation in the programme was fantastic."

Laura Romero Escribano, Retail Training Manager of Guerlain Spain

"I was very surprised by the children's desire to learn. Our involvement was rewarded by that of the participants."

Bobo Zhou, Marketing Associate PR Director of Guerlain China

"If I had to sum up the Bee School in a single word, I would say, fun!"

Alejandro Garduno, Digital Manager of Guerlain Mexico

"The smiles on the children's faces: that is what I remember most about that unique experience."

Bernice Yiu, Retail & Training Manager of Guerlain Hong Kong & Macau

"Thanks to the quality of the training material provided by the Maison Guerlain, I felt that I would truly be able to do something positive for the planet."

Helen Zhou, Brand General Manager of Guerlain China

"I was impressed to see that in just an hour, we managed to change children's perceptions on bee protection. They have become true ambassadors for the cause to their families."

Cécile Patry, Latin American and American Travel Retail Marketing Director of Guerlain Mexico

"It was an enriching experience. The children demonstrated a great ability to understand the challenges relating to the protection of Bees. I also enjoyed the team spirit, participating in such a beautiful, unique, essential project."

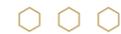
Charo Sainz de Vicuna, Digital and CRM Manager of Guerlain Spain

A "BEE SCHOOL" TAUGHT BY VÉRONIQUE COURTOIS AND YANN ARTHUS-BERTRAND

On October 6th 2021, as part of the partnership between the city of Montfermeil and LVMH, the GoodPlanet Foundation welcomed **some twenty children from Montfermeil** for a "Bee School" taught by Véronique Courtois, CEO of Guerlain, and Cécile Lochar, Guerlain Chief Sustainability Officer. Yann Arthus-Bertrand and Yacine Ait Kaci – the artist who created Elyx, the United Nations' mascot, and Beez, the "Bee School" ambassador – were also present.



ILLNESS, POVERTY, INCLUSIVENESS, AND SOCIETAL COMMITMENTS



PROVIDING GUIDANCE TO CONFRONT ILLNESS WITH DIGNITY & TRUST

Self-confidence becomes a precious ally when illness occurs. That is why Guerlain supports initiatives that assist in such times, offering financial backing and product donations.

- Since 1992, **Cosmetic Executive Women (CEW)** has been bringing comfort, cheer, dignity and self-confidence to hospitalised patients through personalised individual aesthetic treatments. The care is administered in private by socio-beauticians. They are all trained in hospital settings, and they are tasked, coordinated and paid by CEW. Working in close collaboration with medical professionals, they assist patients in better dealing with treatments that alter their physical and psychological well-being.

- **Guerlain has been a partner of the belle & bien association** (the French branch of "Look Good Feel Better") for 19 years. It accompanies women and men facing cancer by providing them with reassuring aesthetic treatments that restore their self-confidence, an additional weapon against illness.

On Friday 1st October 2021, on the first day of Pink October, Guerlain invited its Paris-based headquarters to pedal for the belle & bien association. Four bikes were set up on the premises, and for every kilometre pedalled, Guerlain agreed to donate 10 euros to the association. The teams pedalled 489 kilometres, which were rounded upwards to 500 kilometres. And so Guerlain donated €5,000 to the belle & bien association.

THE LVMH DÎNER DES MAISONS, COMMITTED TO SUPPORTING RESEARCH AGAINST SICKLE CELL ANAEMIA

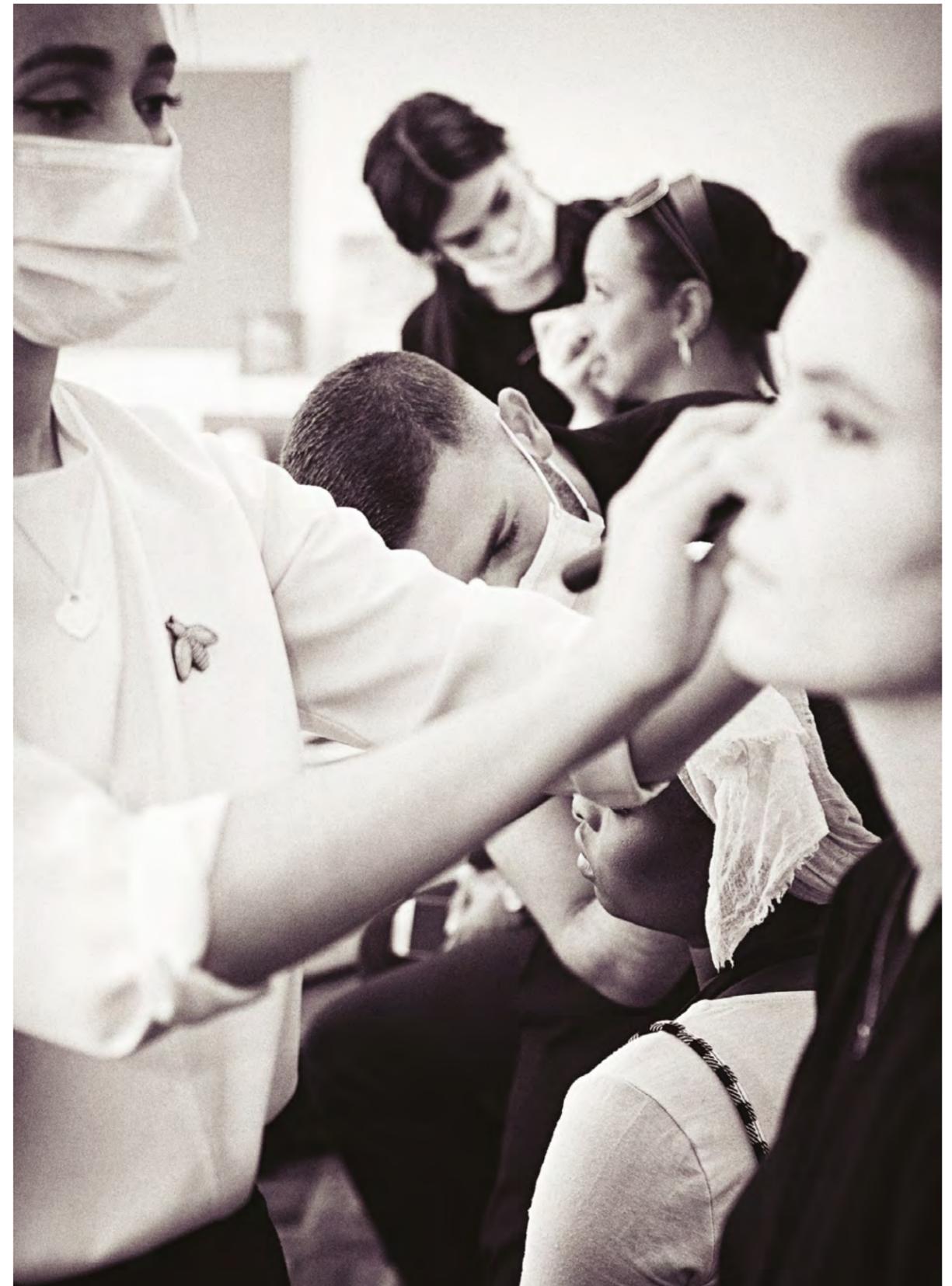
On December 17th last year, the 8th edition of the remotely organised charity Dîner des Maisons brought the Group's Houses together under the aegis of Chantal Gaemperle, Group Human Resources and Synergies Director, and Toni Belloni, Group Managing Director of LVMH. Despite the context of the pandemic, the Group still considered it important to maintain this annual event, which since 2011 has been celebrating its social and cooperative commitment in association with all its participants. During the event, LVMH and its Houses

confirmed their financial support in the combat against sickle cell anaemia. All the donations sent by each House go to the Hôpital Robert-Debré to **financially support the team of Professeur Baruchel and Doctor Benkerrou**, in charge of research against sickle cell anaemia and of administering treatment to children affected by this hereditary genetic disease. **This illness is very widespread worldwide, and it affects five million people and 250,000 newborns annually.** No cure for it has been found to this day.

THE FASHION SHOW OF TOMORROW: MONTFERMEIL FASHION SHOW

For 12 years, Guerlain has been supporting "Cultures et Créations" Fashion Show. This initiative is part of the partnership that ties the LVMH Group with the cities of Clichy-sous-Bois and Montfermeil. A one-of-a-kind fashion show which federates more than **40 nationalities from around the world**, it offers an opportunity for

up-and-coming and experienced designers of various nationalities to share their expertise by highlighting the traditional costumes of their country of origin. Eight **volunteer make-up artists** from our Parisian Boutiques had the pleasure and honour of making up the models for this 11th edition, which took place on July 3rd 2021.



"CERCLE ART & ÉCOLOGIE" AT THE PALAIS DE TOKYO



© Florent Michel / View of Palais de Tokyo, July 2014

GUERLAIN JOINS THE "CERCLE ART & ECOLOGY" OF PALAIS DE TOKYO AND REINFORCES ITS ARTISTIC COMMITMENT TO CONTEMPORARY CREATION

With its new commitment to Palais de Tokyo, Guerlain is now writing a new page in its relationship with art. By joining forces with the largest centre of contemporary creation in Europe for art and Sustainable Development, Guerlain is contributing to the promotion of art that is more committed to today's great challenges, and to the development of a more inclusive, more female artistic scene.

The partnership between Guerlain and the Palais de Tokyo features two areas:

A STRONG COLLABORATION IN ARTISTIC TERMS

Guerlain's commitment with the Palais de Tokyo is inaugurating the creation of a connection between the Palais and 68 Champs-Élysées. This iconic location for the House, which has been holding prestigious exhibitions since 2006, will interact with the programme of Palais de Tokyo to become a satellite for the Palais' exhibitions and other major events. Moreover, special projects will

be developed with artists promoted by the Palais. Guerlain will also be a source of proposals for the Palais de Tokyo based on shared values and its programme at 68 Champs-Élysées. **Female artists, the emerging scene, and artists who work on themes relating to the environment** will be favoured in this joint approach.

CONTRIBUTING ENVIRONMENTAL COMPETENCY

The major progress that the Maison Guerlain has made in matters of Sustainable Development will be brought to the benefit of the Palais de Tokyo through concrete actions: a **biodiversity impact audit**, the **transformation of the garden in favour of pollinators** (installing beehives, planting honey-yielding flowers, etc.), an **environmental quality test** using beeswax, and edutainment for young and underprivileged audiences with the **"Bee School"** (an awareness-raising programme about the Bee taught by Guerlain employees).

A number of actions will be performed on-site for the environment, as will more holistic operations such as **workshops and immersive experiences relating to the senses, the cycle of the seasons and**

nature. The programme of 68 Champs-Élysées, with its connection to the environment, will also be a way of sharing these common values.

"This is a chance to collaborate with a place that stands as a pioneer and leader of the link between art and the environment, an absolutely essential connection. There can be no ecological transition without a cultural transition. Artists have a major role to play. They are drivers of change who carry a vision of tomorrow's world, a way of taking action that challenges the established order... Essential ways forward towards a more sustainable future." Cécile Lochar, Guerlain Chief Sustainability Officer.

NFTs AND A GREEN FIAC



The Maison Guerlain has been collaborating with the greatest artists since it was founded in 1828. A recognised *Entreprise du Patrimoine Vivant* (Living Heritage Company), Guerlain has stood the test of time, drawing its secrets of longevity on its excellence, boldness and responsibility. With a prestigious, historically rich collection, Guerlain is leading ambitious artistic actions through exhibitions at 68 Champs-Élysées and through artistic collaborations.

Since 2006, **68 Champs-Élysées has imposed itself not only as an iconic location for the Maison Guerlain, but also as an exemplary, pioneering place for art**. Each spring, the legendary location of the great perfumer welcomes an exhibition dedicated to photography, and each autumn it holds a contemporary and modern art exhibition that is also part of the FIAC private circuit.

For the 14th consecutive year, the Maison Guerlain will present an exhibition of contemporary art from October 21st to November 14th.

"Quand la matière devient art" ("When material becomes art") offers an approach that is at once organic, ecological, and sensitive to the nature of material. It features artists with a connection to the environment, such as **Tomás Libertiny**, who works with bees for his sculptures; **Lionel Sabatté**, who uplifts upcycling; and **Constance Valero**, who creates NFT art to be sold at auction alongside those of **Liu Boli**, with proceeds going to the creation of a permaculture garden by Yann Arthus-Bertrand. The previous edition in 2019 was entirely dedicated to ecology, with an unprecedented collaboration between the curator Caroline Messensée and the expert in contemporary art and the environment Alice Audouin (now a member of the Sustainable Board that the House created in 2021). Artists such as **Lucy+Jorge Orta**, **Mark Dion** and **Kate McGwire** took part in this exhibition with the eloquent title *"Gaia, que deviens-tu?"* ("Gaia, what has become of you?")

This year, the Maison Guerlain commissioned a series of certified NFT (non-fungible token) digital artworks from four artists which will be brought to sale in an upcoming event.

The full proceeds will go to the GoodPlanet Foundation, presided by Yann Arthus-Bertrand, to finance the creation of a laboratory garden in regenerative agriculture and a 28-hectare / 69-acre reserve for comprehensive biodiversity in Mesnuls.

"Art has always been very important to Guerlain. The Palais de Tokyo is a talent pool for emerging artists, and it carries a committed vision of art. We fully share this vision: we are convinced that a nearly 200-year-old House can only remain pertinent through time by continually reinventing itself and positioning itself at the avant-garde of the world to come. We want to explore the connection between beauty and respect for the environment with the best specialists of the emerging scene, and to accompany change through art to create a more sustainable, more desirable world." Ann-Caroline Prazan, Art, Culture and Patrimony Director.



Compost VIII - Vidéo 4K
© Laurence Moffatt



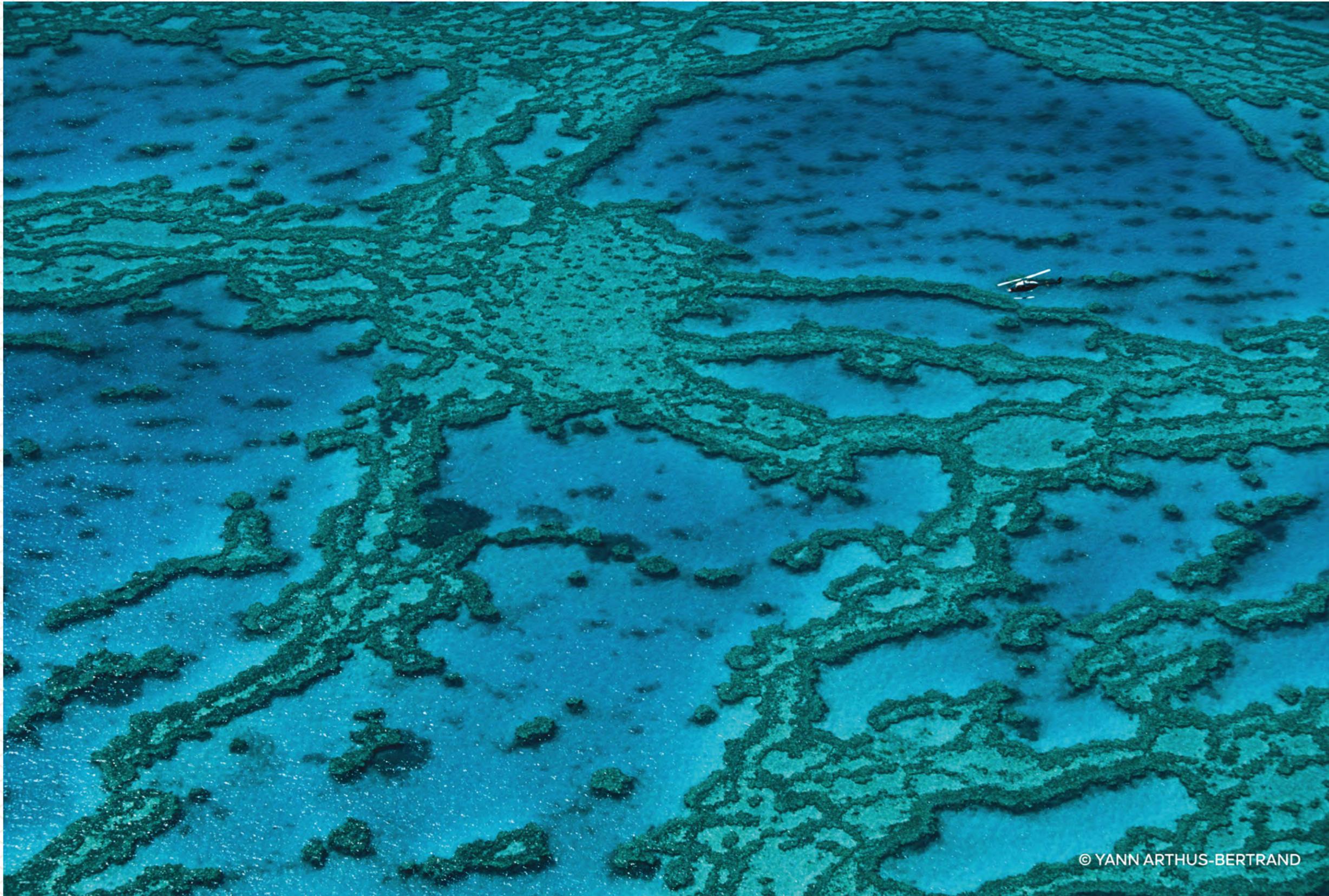
De Nectar et d'Ambrosia ("Of Nectar and Ambrosia") Interactive augmented reality experience © Courtesy Constance Valero



Florescendi - Vidéo 4K © Courtesy of Sabrina Ratté and Galerie Charlot



The Last Warrior - Photograph © Liu Boli



SOCIAL

GREAT BARRIER REEF QUEENSLAND (AUSTRALIA)

Listed as World Heritage by UNESCO, Queensland's Great Barrier Reef could join the list of endangered sites because of the rise in ocean temperatures that is asphyxiating the coral. The consequences are disastrous, both for the people living off the ocean's resources and for biodiversity itself. Coral reefs are made up of a number of different coral species, which form a natural ecosystem where diverse plants and animals live in symbiosis (more than 4,000 species of fish and thousands of other animals and algae). This balanced system fosters each individual while contributing to the well-being and survival of all, just like a company should do.

© YANN ARTHUS-BERTRAND

THE VIEW OF
Usbek & Rica

RECOGNISING INDIVIDUALITY

In its modern form, humanity is characterised by a certain individualism. Particularly in our contemporary Western societies, people are encouraged to be self-reliant and independent, doing and managing things on their own. The very term "individual" no longer refers to a single specimen of the Homo Sapiens species, but rather to a moral, independent subject whose value does not depend on belonging to a group.

By nature, though, Homo sapiens is a species distinctive for its extraordinary capacity to cooperate on a collective scale. Because they believe in collective fictions, the members organise their large-scale collaboration, and they cooperate in systems where each one occupies a specific function. After long having attempted to standardise individuals to better gain their cooperation, modern structures now understand that humans need a framework more than they need

a standard. More than just a collection of similar beings, a varied palette of profiles provides the most effectiveness and creativity. Thus, a team with a diversity of genders and nationalities is more proficient than the average run-of-the-mill team.

Asserting what makes each of us unique, and our expectations, also ensures that we can all better address the new challenges of our times. Since the end of the 20th century, the demand for what are called "routine" skills at the workplace has decreased by 40%. On the other hand, the need for what are called non-routine skills has increased by 30%⁽¹⁾. What makes Homo sapiens distinctive is not just the cooperation among diverse profiles brought together through shared myths, but also the creativity that the species demonstrates in adapting to survive.

(1) Jérémy Lamri



TALENTS AT THE HEART OF OUR SOCIAL POLICY



The social chapter of this report covers the scope of France in order to remain pertinent in terms of indicators.

We bring rigorous, exacting attention to the well-being and development of our employees.

These actions are steadfastly framed by the LVMH Group policy:

- to respect the dignity and uniqueness of each individual, particularly on subjects of diversity and gender equality
 - to guide our employees by taking action for their safety and well-being
- to pass along the savoir-faire of humankind's patrimony through a flexible, specific training policy, and through our learning initiatives and programmes
 - and to commit to a better society through an active sponsorship approach such as our "Women for Bees" programme (see p.78), as well as with regard to the people with disabilities and to long term job seekers.

In France
1,132
employees

In France
74%
women in the
workforce

In France
79%
women managers
and executives

SHOWCASING OUR SAVOIR-FAIRE



GUERLAIN IS A SIGNATORY OF THE "WE FOR ME" PACT FOR THE MÉTIERS D'EXCELLENCE. THIS PACT MARKS THE HOUSE'S COMMITMENT TO THE DEFENCE AND **PROMOTION OF PROFESSIONS THAT ARE BASED ON CREATION, SAVOIR-FAIRE AND EXPERIENCE**

The 75 Houses of the LVMH Group signed the pact, demonstrating their intention to defend and promote these professions and savoir-faire. That commitment was illustrated by a manifesto photograph showing Bernard Arnault surrounded by some forty Houses in an operation coordinated by Fondation Louis Vuitton. Each photo features a pair of people including the House's President and a virtuoso who embodies an emblematic savoir-faire of his or her respective House.

For the occasion, Véronique Courtois, CEO of Guerlain, joined Sylvie Romet, "Dame de Table", to celebrate the unique savoir-faire of each House. Sylvie is an ambassador for the savoir-faire required to manually encase bottles, a task requiring meticulousness and dexterity. In fact, she was distinguished with the title of Chevalier des Arts et des Lettres by the French Ministry of Culture in 2018, acknowledging her exceptional savoir-faire and her enthusiasm in passing along her knowledge to the next generation.

PROMOTING OUR FEMALE TALENTS



Women's rights and the promotion of female talents is one of the Human Resources pillars of the Maison Guerlain. This commitment is already concretely demonstrated by key figures: our Executive Committee shows equality in gender representation; **women occupy 79% of executive positions, and they represent 74% of all personnel.**

Individually, each employee is encouraged to support that ambition, whether through targeted training courses – as it is the case

for all the House's hiring managers, trained in non-discrimination – or through in-house or external operations.

These values are important to us, and they are also reflected in the cooperative actions established at our subsidiaries such as in Taiwan. Indeed, for International Women's Day in March 2021, a team of volunteer make-up artists joined a charity event in the county of Taitung aiming to support 16 underprivileged women through make-up and self-confidence workshops.

SHERO ACADEMY X GUERLAIN

With EllesVMH, the LVMH Group has been asserting its ambition to embrace diversity in its teams for 15 years, the perfect reflection of its business and the source of its performance. The SHERO platform is its ideal materialisation.

Founded in 2018 by Léa Baudin, Digital Manager of France Guerlain, the platform – which features inspiring and enriching content – has extended its offer to a free coaching programme that is open to all: "SHERO Academy".

Structured around videos, worksheets and webinars led by qualified coaches and interspersed with interviews featuring talents from LVMH, SHERO Academy is the fruit of a partnership

between AllBright, world leader in female career networking, and the support of the LVMH Group.

For the launch of the first course, Project You, a one-hour webinar was held on February 10th in the presence of Léa Baudin, as well as Agnès Pinel, Human Resources Director of Guerlain; and Angélique Portefaix, Human Resources Development Manager. This special sharing time made it possible for more than 70 people to discuss EllesVMH, SHERO and this module, which will assist them in targeting their objectives and motivations, determining their values, and discovering techniques for overcoming the obstacles in their path to professional success.



FOSTERING THE FULFILMENT OF OUR TEAMS THROUGHOUT THEIR CAREERS



We are convinced that the personal and professional fulfilment of our teams is a major driver in the House's growth.

Within Guerlain, we bring very special importance to proposing development opportunities adapted to each individual's needs.

Professional training remains a traditional pillar for action that Guerlain implements each year when gathering the requests jointly formulated with managers. Thus more than 10,000 training hours were provided in 2021, whether for personal development or professional expertise.

We have also relaunched a cycle of lectures in keeping with our current events and challenges.

Because we are convinced that each employee is an active participant in his or her own personal development, Guerlain initiated new ways of learning in 2021. And so, for the first time, the House is presenting the DARE programme, which enables each person to transform their innovative ideas into concrete projects.

10,000 HOURS OF TRAINING PROVIDED

DARE: CO-CONSTRUCTING THE "RIVOLUTION" TOGETHER

On October 4th, we launched the first House DARE at Guerlain. DARE is a collaborative platform that **enables all talents, anywhere in the world, to express and transform their innovative ideas into concrete projects.**

All our teams throughout the world are given the opportunity to participate in a larger consideration of three major themes for the progress of our organisation:

- How to turn our values into behaviours and actions, and to implement them on the scale of the House?
- How to enrich the employee experience by giving pride of place to interactions among professions, and between headquarters and the markets?

- How to make the brand more attractive and desirable to up-and-coming talents?

More than 160 ideas were submitted, the greatest participation rate for any House DARE! After being guided in the best way to "pitch" their ideas by in-house mentors and external coaches, the five finalist teams got the opportunity to present their projects to the Guerlain Executive Board on March 14th 2022.

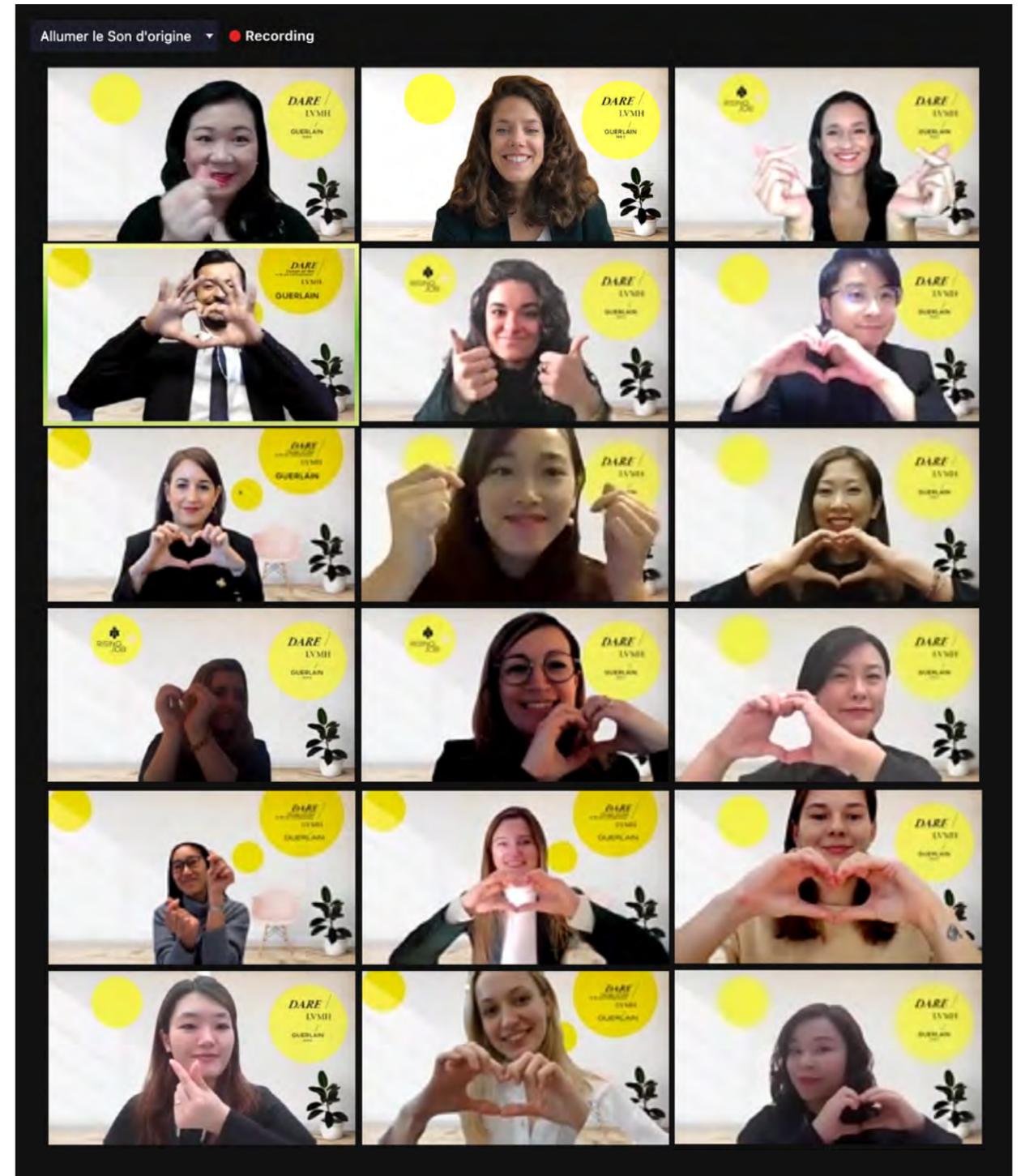
The **"Bee Gardeners" project**, combining Sustainable Development with human relations, was chosen as the winner. An honourable mention was also granted to the **"Beeyond Board"**, which proposed a "shadow board".

160 IDEAS PROPOSED

LECTURE CYCLES TO RALLY AND INSPIRE THE TEAMS

The Maison Guerlain started its lecture cycle up again in 2022 with an eminent first guest, **Philippe Gabilliet, Professor of Psychology and Management at ESCP Europe (Paris)**. This very inspiring session, of which the theme was "Louanges de l'inattendu" ("Praise for the unexpected"), resonated particularly well with the world's

current state of affairs. The professor shared his tools for transforming an unexpected situation into an incredible opportunity. These lectures always provide an opportunity to assemble the teams for inspiring and very enriching moments.



CELEBRATING ALL TALENTS



THE "HUMAN" PROGRAMME, AN EMBLEM OF OUR DISABILITY POLICY

At Guerlain, we are convinced that people with disabilities have a role to play in the luxury industry, and that their integration should be a priority of our House. To do so, we are working to establish high-impact actions, on our own or with trusted partners, which will perfectly correspond with the Charter for the Employment of People with Disabilities that LVMH has signed.

During European Disability Employment Week, at the "La Ruche" cosmetics production site in Chartres, Guerlain is proud to have welcomed the Prime Minister of France, Jean Castex; the Minister of

Labour, Employment and Integration, Elisabeth Borne; and the Secretary of State in charge of People with Disabilities, Sophie Cluzel. The morning was rich in discussions and testimonials about integration and the employment of disabled people and the meaning that they bring to an entire organisation. It was also an opportunity to highlight our **"Human" project for integrating severely autistic adults into our production teams**. This project illustrates the collaboration between associative and economic spheres to promote employment and the integration of disabled individuals.

THE ROAD TO 2025: THE ADVENTURE CONTINUES AT "LA RUCHE" (CHARTRES)

The "Human" programme came about through a **partnership with the association Vivre et travailler autrement ("Live And Work Differently")**, whose mission is to assist adults affected with moderate to severe autism. They arrange for permanent contracts with factories, available accommodation, and activities fostering their inclusion and fulfilment. Most autistic people are uncomfortable with unexpected changes of situation and are reassured by repetitive tasks like the ones encountered at a production site workplace. In 2020, Guerlain welcomed Mavryck as a packaging operator at "La Ruche" (Chartres). The success of that experience consolidated our project, and two other recruits have joined the team since: Emile in September 2021 and Kylian in late February 2022.

By 2025, eight young autistic adults will be brought on-board, with the objective of hiring them. We find accommodation near the "La Ruche" site for each one. Beyond the inclusive impact of this operation, it also brings into question the **way we consider disabilities, enabling Guerlain to make progress as a whole.**

It gives all the employees a true source of pride in belonging to the company, and they have formed a support system around Mavryck, Emile and Kylian. This pilot project is also destined to be rolled out at the Orphin perfume production site.



« I feel reassured each time Mavryck works on my line. We are all very happy to have him with us. He takes an interest in everything and offers real support. Without knowing how to read or write, but thanks to his excellent memory, he now knows how to launch the production line, use the command console, and reset the unit counter. In terms of performance, he fulfils the objectives expected of any packaging operator. »

Laetitia Renoncet, Machine Tool Operator and Adjuster

« The teams have been very kind, and they asked a lot of questions to get to know Mavryck. We had to adapt our standards and create tools to assist him in performing his duties. Today, those tools are also used by other members of the team. Having him here has made it possible to develop our approach and to foster the inclusion of more people with disabilities. »

Thibaut Brémond, Production Supervisor

« Emile joined the team on September 20th. He was the second young person to join the House as part of the "Human" programme. His integration went very smoothly. Three weeks after he was hired, thanks to assistance provided by the association, he had already learned the manual packaging techniques. »

Lise Delagrée, Production Human Resources Manager

Moreover, the House participated in an awareness-raising campaign extended to all its teams, all over the world, for the International Day of Persons with Disabilities. The "Human" programme was once again highlighted, this time through a beautiful video tes-

timonial for the series "Looking Beyond Disabilities", which offers a platform for expression to teams working in the field to promote a more inclusive workplace.



PROUD TO BE SPECIAL PARTNERS OF CAFÉ JOYEUX

Café Joyeux is a social company with its entire value chain based on the inclusion of people with all types of disabilities. Its mission is to normalize disabled workers within our cities. Most of the people who are employed and trained at the eight café-restaurants are affected by Down's Syndrome and cognitive disorders such as autism.

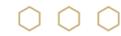
Café Joyeux supplies all the cafeterias of our La Samaritaine and Pont Neuf sites. The proceeds from the purchase of their services contribute to the development of more café-restaurants of this type.



IMPROVING THE INCLUSIVENESS OF THE DEAF AND HEARING-IMPAIRED

The population of deaf and hearing-impaired people was estimated at six million in 2021, with various levels of auditive disability ranging from slight impairment to complete deafness. This requires companies to be flexible in their adaptation of communication supports, particularly in terms of customer relations. In 2008, Sourdline came about through the need to propose a customer relations management centre specially geared to deaf and hearing-impaired clients. **The operators, who are themselves deaf and hearing-impaired, consult with and assist customers with auditive disabilities in their customer procedures (complaints, recommendations, etc.).** On September 25th, for World Day of the Deaf, Guerlain announced its collaboration with Sourdline to provide an inclusive client experience that is accessible to all. Guerlain thus became one of the first House of the LVMH Group to offer such a service.

GUIDING YOUTH AND SUPPORTING EQUAL OPPORTUNITIES



During this economic period, which is particularly difficult for the younger generations, LVMH is ramping up its HR and CSR policies in their favour, particularly in terms of training and access to employment. By the end of 2022, the Group plans to hire 25,000 people under the age of 30 throughout the world, including nearly 5,000 under internship or apprenticeship contracts and 2,500 under permanent contracts in France.

Guerlain fully shares in this ambition, and it has reinforced its action plan in favour of equal opportunities by opening its doors to young people in all their diversity. This is also an opportunity to open new perspectives on their future by offering them full immersion in a concrete, structured, friendly workplace. The various projects that we have carried out have all gained strong support among our employees, many of whom are active participants and mentors. This is a wonderful means of building internal cohesion and of sharing skills.

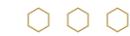
Passing along our *savoir-faire*, one of our central values, is an important driver for social and professional integration. That is why Guerlain has been committed to cooperating with the **LVMH Institute of métiers d'excellence (ME Institute)** for several years. Since it was founded in 2014, the ME Institute's objective has been centred on the preservation and transmission of unique forms of *savoir-faire* which are the lifeblood of the Group's Houses.

Its original offer of work-study programmes in professions of creativity, *savoir-faire* and sales is geared towards the younger generations and people making career transitions, and it welcomes talents from every horizon. Over the last two years, we welcomed seven students from the ME Institute LVMH EMA SUP work-study programme to our Parisian Boutiques.

Our House also intends on taking action in favour of the youngest generations. In February 2022, Guerlain renewed its **partnership with Viens Voir Mon Taf**, an association that aims to promote equal opportunities at the workplace by offering **internships to underprivileged adolescents**. Eight of the internship participants of Viens Voir Mon Taf, currently in Year 10 of secondary school, were each paired with a Guerlain intern to discover the House, meet the teams, and establish a professional network. This gave them the opportunity to discover the profession of product manager, to better understand how the Marketing and Merchandising teams work, and to imagine what a future career in the responsible luxury sector might be like. All the secondary school students also participated in a perfume creation workshop at our flagship Boutique, 68 Champs-Élysées, and visited the Guerlain production site in Chartres.



GUARANTEEING HEALTH, SAFETY AND WELL-BEING



ESTABLISHMENT OF A HEALTH, SAFETY AND WELL-BEING CHARTER IN 2021

As an employer, it is our responsibility to offer a safe, fulfilling work environment to all our employees, where the quality of work life goes hand-in-hand with the pursuit of performance. Guerlain is therefore committed to developing and maintaining strict standards for health, safety and well-being at the workplace, which include a high level of responsibility and the respect of others.

This conviction requires the establishment of a global approach to all operations in order to develop a "zero accident" culture.

Our approach is based on five pillars:

- identifying health and safety risks,
- establishing a health and safety action plan,
- piloting the health and safety approach,
- making sure that all employees play an active role in health matters,
- in terms of safety, upholding a virtuous culture for a secure environment.

LAUNCH OF WELLNESS, A FITNESS AND WELLNESS PROGRAMME FOR ALL EMPLOYEES

On February 15th, Guerlain launched "The Wellness", the first fitness and wellness programme for all the House's employees, thanks to the community application United Heroes. Created in 2017, the application is designed to motivate individuals to exercise.

To launch this new platform, we organised a week dedicated to wellness:

- a meeting with the United Heroes teams
- a relaxation session and a wellness lecture
- a running session
- an initiation into the principles of self-massage, led by one of the House's Spa experts.

Activities and challenges are scheduled locally and/or for each team throughout the year.





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SUSTAINABLE DEVELOPMENT INDICATORS
AND THE MATERIALITY MATRIX

KEY INDICATORS

Sustainable Development Objectives

Theme	Indicator ⁽¹⁾	2019	2020	2021		
Social indicators						
3	Health and safety at the workplace	Total rate of occupational illnesses	0%	0%		
		Expenditure to improve health and safety of employees (in thousands of euros)		913		
		Percentage of employees having taken safety training during the period of reference		68%		
4	Access to high-quality essential health services	Percentage of employees with access to health services provided or covered by the company		100%		
		Work conditions	Expenditure to improve employees' work conditions (excluding expenditures for health and safety at the workplace) such as air ventilation, temperature, light, work station layout, etc. (in thousands of euros)	152	646	
4	Employee training and education	Percentage of employees having taken a training during the period of reference	40%	52%		
		Average number of hours of training taken by employees during the period of reference (by total personnel)		8hrs		
9	Diversity	Percentage of women among personnel	74%	74%		
		Percentage of women executives among personnel	78%	79%		
		Personnel per age group (in France)				
		25 years and under	4%	4%		
		25 – 34 years of age	33%	33%		
		35 – 44 years of age	29%	28%		
10	Disability	45 – 54 years of age	22%	23%		
		55 years and up	12%	12%		
10	Disability	Number of disabled individuals among personnel		37		
Environmental indicators						
7	Energy consumption	Total energy consumption from non-renewable sources (MWh)	5,928	5,214	3,518	
		Total energy consumption of combustibles from non-renewable sources (MWh)	19	18	97	
		Total electric consumption from non-renewable sources (MWh)	0	0	0	
		Total consumption of natural gas (MWh)	5,909	5,196	3,421	
		Total energy consumption from non-renewable sources (MWh)	10,183	8,475	11,919	
		Total energy consumption of combustibles from renewable sources (liters)	0	0	0	
		Total electric consumption from renewable sources (MWh)	10,183	8,475	9,494	
		Total consumption of biogas (MWh)			2,424	
9	Expenditures and investments (in thousands of euros)	Percentage of total energy from renewable sources	63.21 %	61.91 %	77.21 %	
		Expenditures for the protection of the environment spent in preventing, reducing or eliminating pollution or any other environmental deterioration	892	843	1,712	
9	Water withdrawal (m3)	Total water withdrawal	44,279	42,126	42,928	
		Water discharge (m3)	42,647	39,753	41,357	
		Water consumption (m3)	1,632	2,373	1,571	
12	Waste management (in tons)	Total weight of hazardous waste	430	260	250	
		Total weight of non-hazardous waste	1,550	1,508	1,524	
		Weight of waste according to methods of elimination:				
		Reuse	0	0	0	
		Recycling	1,230	1,215	1,282	
		Composting	0	0	0	
		Recuperation, including energy recuperation	730	532	439	
		Incineration (mass burning)	17	21	50	
Dumping	3	0	3			
13	Greenhouse gas (GHG) emissions (in MTeqCO ₂)	Gross direct GHG emissions (scope 1) in MTeqCO ₂	1,441	1,331	assessment underway	
		Gross direct GHG emissions (scope 2) in MTeqCO ₂	118	74	assessment underway	
		Gross direct GHG emissions (scope 3) in MTeqCO ₂	86,916	66,742	assessment underway	
		Attainment of SBTi objectives since the year of reference 2019 (in % of success)	47% reduction of GHG emissions in scopes 1 and 2 by 2030 (compared to 2019)	NA	-7.6%	assessment underway
		57% reduction of GHG emissions due to the upstream purchase of goods and services, transport and distribution, per ton of finished products, by 2030	NA	-9.4%	assessment underway	
15	Protection and restoration of habitats (in Ha)	Surface area of protected or restored habitat zones	24	27	30	

(1) Scope of social and environmental indicators: France (headquarters, production sites, Parisian Boutiques)

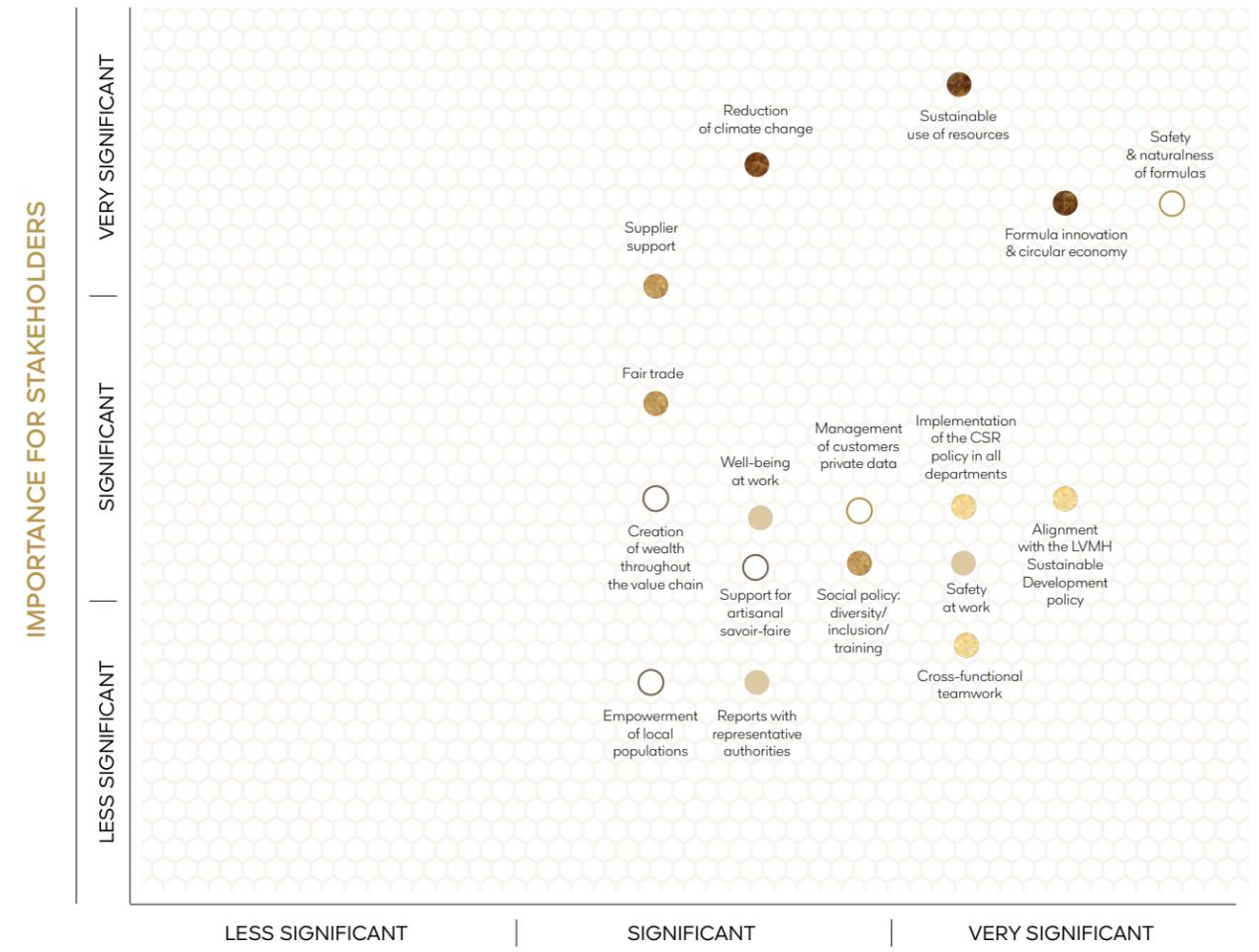
MATERIALITY MATRIX

During the 2020 fiscal year, the Maison Guerlain updated its materiality analysis in order to re-evaluate the challenges that it must face and the expectations of its internal and external stakeholders.

This re-evaluation made it possible to adjust the CSR policy during the 2020-2021 and 2021-2022 periods.

The challenges determined as priority are the following:

- GOVERNANCE OF THE ORGANISATION
- HUMAN RIGHTS
- WORK RELATIONS AND CONDITIONS
- ENVIRONMENT
- QUESTIONS RELATING TO CONSUMERS
- SOCIETAL COMMITMENT



IMPORTANCE FOR THE HOUSE

ACKNOWLEDGEMENTS

In an effort to reduce environmental impacts, this document is designed foremost for digital use. It is only printed in 100 copies total.

For this edition, the cover paper, by Curious Matter, features a texture arising from an innovative starch upcycling technique. The inside pages, in Cocoon silk mat, are 100% recycled.

Moreover, this paper is FSC-certified to guarantee the responsible management of the forest that produced it.

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