MAYBELLINE

2022 **IMPACT REPORT** 



#### MAKING IMPACT AT MAYBELLINE NEW YORK

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#### **WHO WE ARE**

Maybelline New York is the world's leading cosmetics brand and a brand of the L'Oréal Groupe, available in over 120 countries. By combining technologically advanced formulas with on-trend expertise and New York City edge, our mission is to offer highperforming and innovative cosmetics for all.

In 2020, we introduced Brave Together, a long-term program dedicated to destigmatizing the conversation around mental health and funding mental health initiatives led by nonprofits. Through that program, we have pledged to donate \$10 million to mental health causes, with a goal of helping three million people access critical 1:1 support by 2025.

#### **ABOUT THIS REPORT**

Welcome to our inaugural Impact Report. As the number one cosmetics brand in the world, we are excited to share the actions we are taking to create a more responsible business model, enact positive change, and drive global impact. The purpose of this report is to provide visibility about what we've been able to achieve, the challenges we've faced, and how we will hold ourselves accountable. In the following pages, we will be sharing our progress from the last year. Unless otherwise noted, the data and initiatives included in this report are from January to December 2022.

#### **ASSURANCE**

Deloitte has expressed a limited assurance on the indicators identified by this checkmark symbol '&' and qualitative review on Brave Together and the Takeback program.

# OUR PROGRESS



2022 PERFORMANCE

750K

people helped via 1:1 support since the program's inception

\$3.3M

donated since the program's inception

**2025 GOAL** 

3M

people helped via 1:1 support

\$10M

donated to mental health NGO partners



2022 PERFORMANCE

100%

32%

of our ingredients are bio-based, derived from abundant minerals or circular processes

2030 GOAL

100%

of new or renovated products every year will be eco-designed\*

95%

of L'Oréal Groupe's ingredients will be bio-based, derived from abundant minerals and circular processes\*\*

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

<sup>\*\*</sup> By 2030, 65% of Maybelline New York's ingredients will contribute to L'Oréal Groupe's goals.

# MISSION AND APROACH

# LETTER FROM OUR GLOBAL BRAND PRESIDENT, TRISHA AYYAGARI

Maybelline New York aspires to be a brand known as much for its positive global impact as for its iconic makeup. We are excited to share our first Impact Report – a summary of how we're working to create meaningful change, with a particular focus on two key areas.

Firstly, we are striving to improve the conversation around mental health and promote its importance, carrying out several initiatives to open dialogue and destigmatize anxiety and depression – especially in the younger generation.

Secondly, as the number one makeup brand in the world, we know that the actions we take and the operations we carry out can have significant global impact. That's why we're working to contribute to a better future, shifting our business model to become more sustainable, and promoting and adopting responsible practices across products and processes.

We are grateful to our stakeholders and consumers for holding us accountable in our work to become a better brand. With this report, we are committing to transparency and sharing our development. While we know that we are at the beginning of our journey, we are inspired for future action.

Trisha Ayyagari

Global Brand President



# OUR PRORTES

Consumers are becoming more conscious about their shopping decisions, increasingly opting for companies aligned with their purpose or harnessing strong impact programs. When it comes to makeup, consumer intention isn't just about looking good – it's also about supporting brands that have environmental and social impact in mind. Maybelline New York wants to be a brand our consumers can depend on, creating makeup products that not only help people feel their best, but also are committed to a better world.

Maybelline New York is proud to be a brand of the L'Oréal Groupe and contribute directly to its global Sustainability & CSR strategy, "L'Oréal for the Future." The strategy is designed with people and the planet in mind, taking into account urgent social and environmental needs.

In support of L'Oréal's mission, we have established our own goals for 2030.

#### MAYBELLVINE MAKEUP MAKE GHANGE

Recognizing our global presence, we have assessed how we can support our consumers and the global community to drive positive change. To do so, we have developed two key programs focused on mental health and sustainability – significant fields in which we feel we can have an impact.

Our programs are designed with progress in mind – both at a company level and for the wider industry. We recognize that change will be a journey, but we are committed and eager to accelerate our transformation toward becoming a more conscious brand.

#### **BRAVE TOGETHER**

We know anxiety and depression are pervasive issues that can be a key detractor from self-confidence. That's why we launched the Brave Together initiative to leverage Maybelline New York's powerful global platform to improve access to critical mental health resources. The program is fueled by our belief that mental health support is critical for individuals to make their mark in the world.

#### **CONSCIOUS TOGETHER**

For over a decade now, we have been working to minimize our footprint on the environment. Our Conscious Together program presents an ambitious set of 2030 goals regarding packaging, production, formulas, and recycling, so that product by product and process by process, we are becoming more collectively aware, accountable, and responsible for our planet.



# BRAVE TOGETHER

#### **OUR COMMITMENT TO MENTAL HEALTH**

Our <u>Brave Together</u> program was launched to help destigmatize anxiety and depression on a global scale, making 1:1 support accessible to all, in partnership with mental health nonprofits around the world.

One in four people suffer from anxiety or depression.<sup>1</sup>

Through Brave Together, people around the world can access an online community featuring real-world inspiration and stories from people on their own mental health journey, as well as mental health experts, tips, and resources.

In each country where Brave Together operates, we partner closely with local nongovernmental organizations (NGOs)

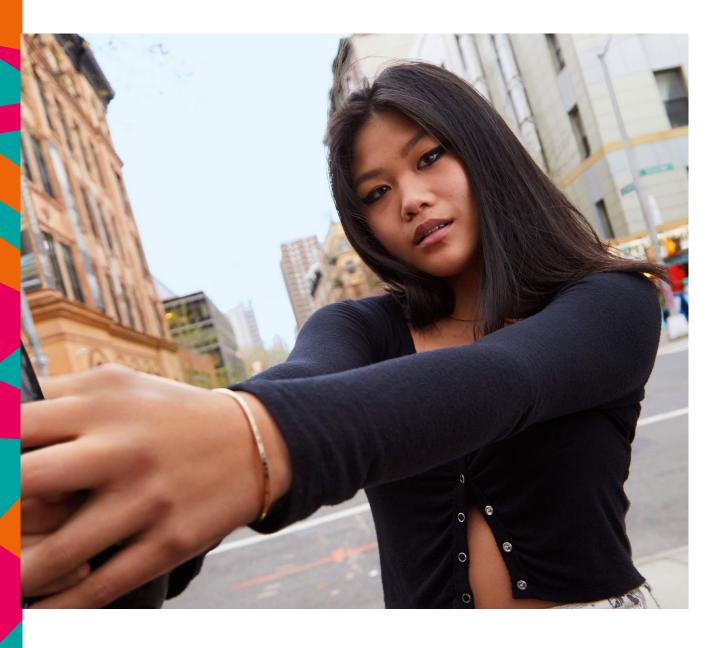
dedicated to mental health support. We leverage our NGO partners not only to help us understand the local anxiety and depression landscape, but also to help deliver the critical 1:1 support to people.

"Maybelline has always believed in the power of making things happen in your life, and we know that mental health is critical in feeling ready to do that. We want to use our global voice to destigmatize the conversation around mental health and make support easily accessible."

#### Trisha Ayyagari

Global Brand President, Maybelline New York





# OURGOALS

Brave Together is committed to reaching three million people with 1:1 professional support and donating \$10 million to mental health causes by 2025.

We work closely with local NGOs to make critical access to mental health resources available to those who need it by funding helplines and text lines, so people who are struggling get access to the help and support they need. Since the program's inception, we have already reached over 750,000 people across approximately 26 countries and donated \$3.3 million to relevant causes. Given our progress so far, we are optimistic that we will be able to reach three million people (our 2025 goal) by the end of 2023 and expand our reach to 38 countries globally by the end of 2025.

Brave Together is live in approximately 26 countries: USA, UK, Canada, Japan, Germany, Italy, Spain, France, Argentina, Mexico, India, Denmark, Romania, Serbia, Israel, Sweden, Australia, New Zealand, Austria, Norway, South Africa, Greece, Korea, Finland, Indonesia, and Chile.

# CREATING A CULTURE OF CARING

We want to help everyone, everywhere, to bravely take on their world. Brave Together provides critical 1:1 support, an online education hub, and a variety of programming to help destigmatize the conversation around mental health.

## TALKING ABOUT MENTAL HEALTH IN THE U.S.

As part of Brave Together, we launched our brand-owned podcast "I'm Fine, You?" Not only does this podcast aim to normalize speaking about anxiety and depression, it was also designed to reach new audiences and provide free tools and resources to help. At launch, the show was in the top 1% of the Mental Health category of Apple Podcasts and by the end of 2022, had over 56,000 downloads and a listen-through rate of 69%.

Hosted by fashion and social media expert Chrissy Rutherford, the podcast has welcomed several influential guests, including an Olympic gold medalist, TikTok stars, and mental health experts – all of whom were invited to speak freely about their experiences and promote free, confidential 1:1 mental health support resources. The podcast channels Maybelline New York's values of destigmatizing anxiety and depression through real-life conversations.

For each episode, Maybelline New York makes a monetary donation to U.S.-based mental health organizations like The Trevor Project, the National Alliance on Mental Illness (NAMI), and The Loveland Foundation, to name a few, to help maximize the podcast's capacity for positive impact. We continued this journey in 2023 by launching season two of the podcast, with episodes happening more frequently on a weekly basis.

# BRAVETALK

Working closely with NGOs, we learned that over 60% of college-aged students turn to a peer when struggling with anxiety or depression. Therefore, we developed Brave Talk – a training tool to empower anyone to help deliver support to their friends. Brave Talk is a key initiative in our pursuit to destigmatize mental health issues, especially among students. Created in partnership with clinical experts from The Jed Foundation (see right), Brave Talk is a free 90-minute scenario-based training designed to give students the tools and confidence to navigate hard mental health conversations with each other. The training teaches people how to spot the signs of someone who is struggling, how to support them, and how to connect them with professional help.

We piloted Brave Talk at universities across New York City, with a wider goal to deliver free training to 200 schools across the U.S. by the end of 2023. So far, more than 1,000 students have received the training. Brave Talk will also be delivered to retailers working with Maybelline New York and to L'Oréal employees globally.

"Making these types of resources available to college students is more important than ever, and we are proud to continue our partnership with Maybelline New York and thankful for their commitment to breaking down barriers in mental healthcare access."

**John MacPhee**CEO. The JED Foundation

# **EXPANDING REACH THROUGH PARTNERSHIPS**

We collaborate with partners across the U.S. to provide mental health resources for those who need them.

#### Our partners include:



An NGO that protects emotional health and prevents suicide for teens and young adults in the U.S.

CRISIS TEXT LINE

A global not-for-profit organization providing a free mental health texting service through confidential crisis intervention via SMS messaging.



The world's largest suicide prevention and mental health organization for lesbian, gay, bisexual, transgender, queer, and questioning (LGBTQ) young people.



A nationwide mental health organization offering educational programs and advocating for individuals and families affected by mental illness.

We are also proud to collaborate with global partners, allowing us to expand our reach even further. To date, we have been able to help over 750,000 people via helplines through our partnerships with Crisis Text Line and The JED Foundation and have donated over \$3.3 million to local NGOs across 26 countries to make support more widely available.

## OFFERING PROFESSIONAL SUPPORT IN MEXICO

Mexico is the leading country in the Organization for Economic Co-operation and Development (OECD) for anxiety and depression levels, with 26.7% of Mexicans having suffered from depression at some point, and 20% suffering from anxiety or depression before the age of 65.2 Through Brave Together, we partnered with local NGO Fundación Origen, which provides a free hotline for mental health support from professional psychologists.

We ran a targeted social media campaign showcasing videos of real people sharing their mental health experiences, with the goal of decreasing stigma around anxiety and depression and increasing awareness about the local support available in Mexico.

Following the launch of this partnership, over 2,000 people called the hotline or texted the chat helpline of Fundación Origen in the first two months alone (November to December 2022).





## WORKING TOWARD EQUALIZING ACCESS TO MENTAL HEALTH SUPPORT IN INDIA

Over  $42\%^3$  of adults in India cope with anxiety or depression and  $14\%^4$  of the country's 15- to 24-year-olds have reported feeling depressed. Yet, for every 100,000 people, there are only  $0.75^5$  psychiatrists.

We partnered with local NGOs in India – Sangath and Mindclan – to run a digital awareness campaign for mental health visibility. Collaborating with 170 social media influencers, we were able to reach over 26 million people to promote available mental health resources. We have also partnered with Sangath to facilitate 24/7 counseling support via a helpline, host workshops, panels, and activities, and provide resources and training for all Maybelline New York employees based in India.

By the end of 2023, 100% of Maybelline New York India employees will have received mental health training. By 2025, we will donate 35 million rupees (\$500,000) and reach 200,000 people via 1:1 support.

<sup>&</sup>lt;sup>2</sup> Health at a Glance: OECD Indicators.

<sup>3</sup> The Diplomat: How Committed Is India to Mental Health?

<sup>&</sup>lt;sup>4</sup> UNICEF: The mental health impact of COVID-19 in children and young people.

<sup>&</sup>lt;sup>5</sup> NCBI: Mental Healthcare Act 2017: Need to Wait and Watch.



# CONSCIOUS TOGETHER

## OUR COMMITMENT TO SUSTAINABILITY

All of us at Maybelline New York want to make progress and inspire positive change across the beauty sector. We know that the shift toward a positive future must be a collective effort. We've looked at the key areas where Maybelline New York can improve its environmental impact, setting concrete goals to accelerate a sustainable transformation of our brand.

That's why we've launched Conscious
Together, a program designed to create a
more responsible business model – mindful
of our impact on the planet. To do this, we're
taking steps – from keeping our impact
in mind when reformulating our products
to innovating more sustainable packaging
solutions – to bring us a bit closer to
becoming a more conscious business.

# ASSESSING THE IMPACT OF OUR PRODUCTS

Maybelline New York is in the business of beauty – but we also know that when it comes to sustainability, change is more than skin deep. Though we evaluate and celebrate what we have achieved so far, we acknowledge what still needs to be done in the future.

As we launch new products and reformulate existing ones, we're evaluating our product formulas to deliver options that are less impactful on the planet.

By 2030, our goal is to contribute to the Groupe's objective for 95% of ingredients to be bio-based or derived from abundant minerals or circular processes. The idea is to increase our reliance on ingredients that can be replenished or regrown, reducing our impact on nature's resources.

Behind the scenes, we're looking at our production processes. With 50% of owned production facilities powered using renewable energy, we're setting a goal to close the remaining gap, aiming for all owned sites producing Maybelline New York products to utilize 100% renewable energy by 2025.

#### MAYBELLINE NEW YORK KEY PERFORMANCE INDICATORS





By 2030, all plastic packaging will be made from 100% recycled plastic 3.5%

of all packaging made from 100% recycled plastic 2



By 2025, all of our owned manufacturing sites producing Maybelline New York products will use 100% renewable energy 50%

of our owned manufacturing sites producing Maybelline New York products use 100% renewable energy ②



By 2030, 100% of new or renovated products will be eco-designed

100%

of new or renovated products are eco-designed @



By 2030, Maybelline New York will increase its contribution to L'Oréal Groupe's goal that 95%\*\* of its ingredients will be bio-based, derived from abundant minerals and circular processes<sup>6</sup>

32%

of our ingredients are bio-based, derived from abundant minerals or circular processes, contributing to L'Oréal Groupe's objective of 95% •



Expand takeback programs globally

50 TONS

of empty products collected across seven countries, in 3,200 locations

<sup>\*\*</sup> By 2030, 65% of Maybelline New York's ingredients will contribute to L'Oréal Groupe's goals.

<sup>&</sup>lt;sup>6</sup> Bio-based ingredients come from renewable sources such as plant materials. We are working with our Research & Innovation teams to leverage the power of Green Science for the formulation of high-performing renewable ingredients using more responsible processes (e.g., reduced carbon impact, waste and use of solvents) of transformation, extraction or fermentation. Among the practices of Green Science are the careful cultivation, transformation and formulation of ingredients using practices that help lower the environmental footprint and minimize chemical use.

#### **RE-EXAMINING OUR PACKAGING**

By 2030, 100% of our new or renovated products will be eco-designed, inclusive of packaging. This means we will continuously design our products being mindful of their environmental impact throughout their lifecycle.

We're evolving our packaging, making sure the products our consumers love are packaged with sustainability in mind.

Since 2018, we have made concerted efforts to reduce virgin plastic use, replacing 600 tons with recycled plastic (that is more than three times as heavy as the Statue of Liberty without its base).

In order to reduce the environmental footprint of our packaging, we utilize PCR, or postconsumer recycled material, which has a lower carbon impact than virgin material.

#### Our actions have included:

- All glass bottles on foundations are made with a minimum of 20% post-consumer recycled (PCR) materials.
- We use 50% recycled plastic in our blistercards for all our carded products assembled in our U.S. plants.
- We have reduced the weight of Color Sensational Lipstick primary packaging by 10-14% globally.
- We are transitioning our opaque tubes (as used by Instant Perfector Matte) to be made with a minimum of 24% PCR material in the EU and U.S.

Going forward, we are doubling down on our actions to increase recycled material use, committing to making all plastic product packaging out of recycled plastics by 2030.



## SUPPORTING RECYCLING CHALLENGES IN SMALL AND RURAL COMMUNITIES ACROSS THE U.S.

Maybelline New York is committed to democratizing access to beauty for all consumers – an approach that extends to product disposal and recycling. We recognize that in many of the communities where our consumers live and work, there is no access to recycling - impacting an estimated 40 million people.

During Climate Week NYC in September 2022, L'Oréal USA and Maybelline New York announced their founding support for The Recycling Partnership's Small-Town Access Fund, a fund to support recycling programs in U.S. towns with populations of less than 50,000. These communities

amount to 27 million households combined – each generating approximately 767 pounds of recycled material annually.

In just over one year, the Small-Town Access Fund has launched 11 projects across eight states – with several others in the pipeline for 2023 and beyond. These projects are estimated to provide new or improved access and education to over 49,000 households, diverting an estimated 3,500 tons of recyclable waste away from landfills.

"We appreciate the partnership with Maybelline New York to support recycling access and infrastructure in small towns and drive meaningful change for the entire U.S. recycling system. It is critical for all people to be able to recycle as easily as it is to throw something away, no matter where they live."

#### **Cody Marshall**

Chief System Optimization Office, The Recycling Partnership

## THE ECO-DESIGNED MAKEUP WALL

In Germany, we worked with our supplier to design a new Maybelline New York wall unit to reduce plastic use and energy consumption. Thus far, we have had positive results, reducing plastic use by 65%, energy consumption by 32%, and carbon emissions by 26% as compared to our previous generation wall unit in 2017.





# ENGAGING CONSCIOUS DISPOSAL

We look to help customers and consumers responsibly dispose of our products at their end of life, investing in recycling technologies and processes and expanding takeback programs in countries across the world. Through these takeback services, consumers can return empty products for reuse and recycling where possible, rather than going to landfill. To date, we have collected over 50 tons of empty products and have launched takeback programs in 3,200 retail stores across seven countries (the UK, France, Canada, Australia, Hong Kong, Taiwan, and Japan).



Maybelline New York and Watsons Taiwan have set up recycling bins in select stores, collecting over 6,000 products from 25 bins across the country. The collaboration includes consumer incentives for recycling, with donations going to RE-THINK, a Taiwanese environmental nonprofit organization for sustainability training programs.





# EXPANDING RECYCLING ACCESS IN THE UK

We are proud to be the UK's largest makeup recycling project, accepting all makeup brands in the market, thanks to our ongoing partnerships with Tesco, Sainsbury's, and Superdrug. Currently, we are situated in more than 1,300 locations.

Through this partnership, we have collected over 40 tons of makeup packaging and have continued to expand the scope of the program, doubling the number of stands and amount of makeup collection between 2021 and 2022.

We aim to make it as easy as possible for people to play their part and consciously dispose of their makeup packaging waste. A key focus is having makeup recycling stands in as many stores as possible across the UK; already, we are situated in all Tescos that sell makeup on site.

Our goal is to ensure that over 75% of the UK population has easy access to makeup recycling.





We are committed to making impactful change and driving the industry to make progress. That's why we're leveraging our global presence to drive positive change for our customers and their communities through our **Makeup Make Change** platform and accompanying **Brave Together** and **Conscious Together** initiatives. Alongside our network of mental health partners across the world, we're working to destignatize anxiety and depression and make 1:1 support for mental health more accessible through **Brave Together**. And, our **Conscious Together** program is enabling us to create a more responsible business model with an ambitious set of packaging, production, formula, and disposal goals that we aim to achieve by 2030. Together, we aspire to help people feel their best and make beauty more conscious.