

*Ensuring a beautiful tomorrow, together*



SEPHORA

**2024 Global Impact and Progress Report**

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Specific methodological guidelines on the KPIs  
reported in the document are available on request from  
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# *To our beauty community*



*“Our commitments for progress remain stronger than ever across Sephora Global Red and Green Heart roadmaps.”*

The second edition of our Global Impact and Progress Report is a renewed commitment to provide greater transparency about Sephora’s impact and results in the communities hosting us worldwide. This report highlights how our performances are evolving over time to contribute to more meaningful beauty and sustainable development.

In 2024, as part of Sephora Global Red Heart Roadmap, we donated €11.8 million to communities in need. This was made possible through financial and product donations from our employees, our clients, and Sephora. Overall, these giving initiatives supported more than 1.8 million beneficiaries worldwide.

Sephora Global Green Heart Roadmap has been updated with ambitious targets across four

**Guillaume Motte**  
Sephora President and CEO

key pillars: reduce carbon emissions, promote more sustainable consumption, rethink packaging and waste, and engage our employees. One key achievement in 2024 was the collection of close to 100 tons of our customers’ empty beauty products through collection points available in nearly half of our stores.

We recognise that there is still much we can accomplish, which is why our targets are more ambitious and our commitments for progress remain stronger than ever. By celebrating our 2024 successes in this report, we highlight the remarkable commitment of our teams and all the changemakers within Sephora who make Sephora’s Purpose a reality: to champion a world of inspiration and inclusion where everyone can celebrate their beauty.

**Deborah Yeh**  
Sephora Global Chief Purpose Officer

*“We highlight the remarkable commitment of our teams and all the changemakers within Sephora who make Sephora’s Purpose a reality.”*









# *Leading with Purpose*

## Our Purpose

**Our Purpose is who we are, who we have been, and what we bring to the world every day.**

Sephora's founder Dominique Mandonnaud said: "We believe in a beauty without dictates and without judgement. We believe in a world where everyone is free to discover and express all facets of their beauty."

Today, we embrace this principle to shape our enduring Purpose.

We believe beauty can be a force for positivity with the power to uplift and transform. It lives in all of us. It connects us to each other. It is why we work at Sephora.

We are a company that inspires, a true beauty wonderland. A company that stands for inclusion for beauty in every form. A company that embraces the pure joy and unfiltered form of beauty.

It is what we look like at our best.

It is in how we uplift our partners, and champion their success.

It is in how our people find meaning and belonging in their work and each other.

It is in how we inspire our clients to dream and discover beauty together.

We champion  
a world of  
inspiration  
and inclusion  
where everyone  
can celebrate  
their beauty

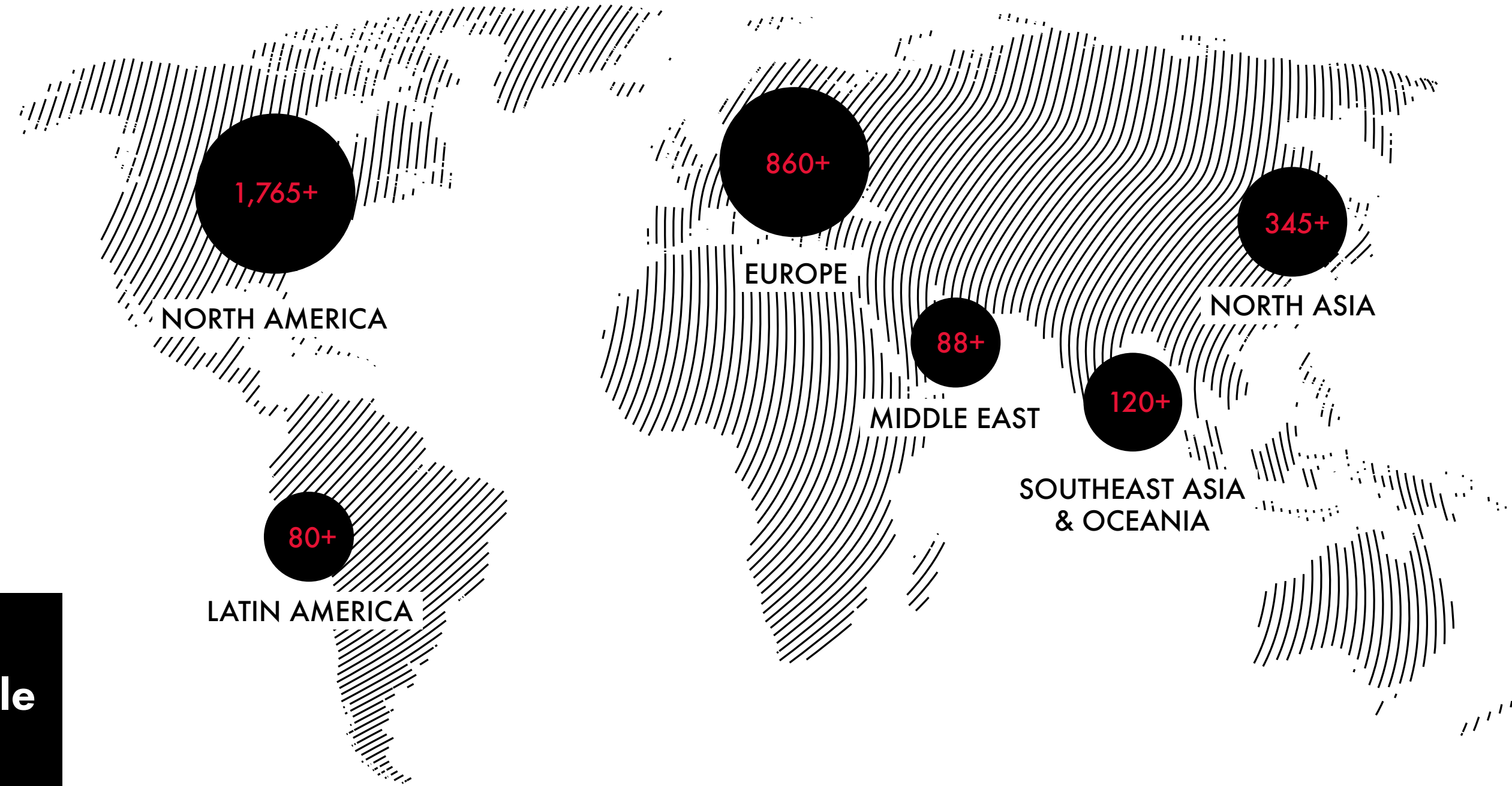
# Our global reach

Since our inception in 1969 in Limoges, France, and as part of the LVMH Group since 1997, Sephora has continuously disrupted the beauty industry.

With a highly engaged global community, Sephora serves hundreds of millions of beauty followers across its global omnichannel network.

Today, with 56,000 passionate employees operating in 35 markets<sup>1</sup>, Sephora connects customers and beauty brands within the world's most passionate beauty community.

## Sephora's Points of Sale worldwide



**3,200**

Points of Sale<sup>2</sup> through our global omnichannel network

Over

**30**

e-commerce sites

**1.8 billion**

visits per year to our stores, e-commerce and digital platforms

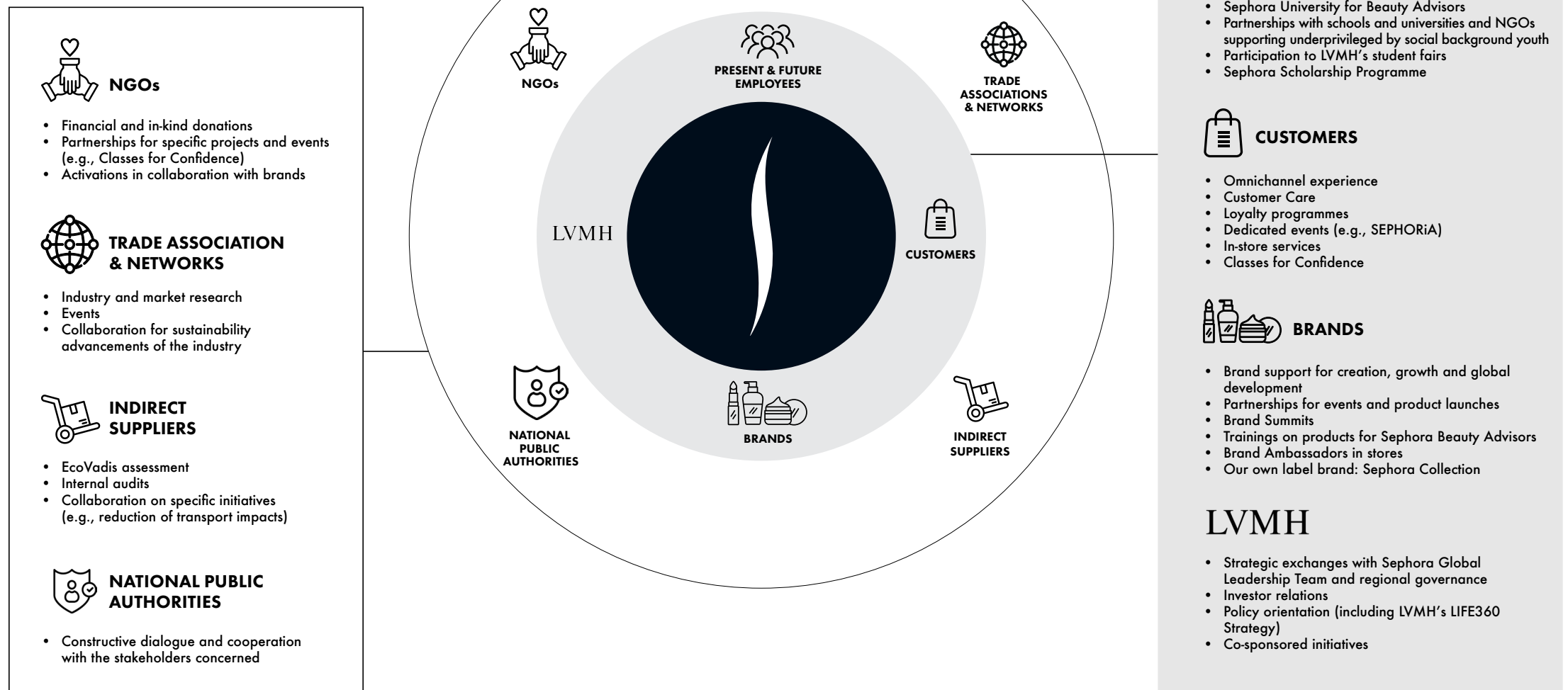
**74 M**

active loyal members



# Sephora's key stakeholders

We cultivate strong relationships with our internal and external key stakeholders through dedicated dialogue channels. These connections provide us with valuable insights into our stakeholders' current needs and future expectations.





# Positively influencing the retail and beauty industries

Sephora plays an active role, both globally and locally, in several industry associations with a strong focus on social impact and sustainability in beauty and retail.



Sephora is a member of the **National Retail Federation (NRF)**, the world's largest retail trade association.



Sephora USA is among the members of the **Retail Industry Leaders Association (RILA)**, the US trade association for the retail industry. RILA was one of the partner organisations that contributed to bringing to life "The Racial Bias in Retail Study" commissioned by Sephora, the first research study on the topic in the US.



The "**Fédération des Entreprises de la Beauté**" is the French trade association for the cosmetics industry.



**The Valuable 500** is a global movement dedicated to making disability inclusion a greater part of the business leadership agenda. Sephora joined the movement in 2021 with a commitment to strengthen its initiatives for the inclusion of people with disabilities.



In partnership with **Open to All**, a nonprofit fostering non-discrimination in retail, Sephora US co-created the Mitigate Racial Bias in Retail Charter, and brought together 86 retailers – including LVMH and some of its Maisons – to pledge their commitment to a more welcoming retail environment. Through the Charter collaboration, signatories meet monthly to share processes and practices aimed at mitigating racial bias in the shopping experience.



In 2015, Sephora North America collaborated with industry leaders and the **Environmental Defense Fund (EDF)** to develop the Beauty and Personal Care (BPC) Product Safety Rating System, a science-based scorecard with 32 KPIs. This partnership also extended to 2019 for the development of Sephora's US Public Chemical Policy. Since 2022, the collaboration has expanded to the global level.



In 2018, Sephora joined **Change Chemistry** (formerly GC3, the Green Chemistry and Commerce Council), a multi-industry collaboration of over 110 members dedicated to advancing safer and more sustainable chemistry in the marketplace. By fostering new partnerships, strategies, and policies, Change Chemistry drives systemic change in the industry. Sephora Global is active in their Retailer Leadership Council working group, an active learning community that promotes safer and more sustainable chemicals, materials and products across retail value and supply chains.



Since partnering with **Novi Connect**<sup>3</sup> in 2018 in North America, and expanding to global partnership in 2022, Sephora has supported brands that comply with its ingredient policies and environmental seals to find more sustainable options for formulas and packaging.



**ChemFORWARD**, a science-based non-profit organisation dedicated to expanding access to chemical hazard data and identifying safer alternatives, has worked with Sephora North America since 2018. In 2022, this work became global, and Sephora also joined ChemFORWARD's "Know Better Do Better Collaborative" with other industry leaders.



A coalition created by some major players in the cosmetics industry, led by Circul'R and WeDon'tNeedRoads with the technical and financial support of Citeo, the producer responsibility organisation in charge of reducing the environmental impact of packaging and paper marketed in France.

The coalition is aimed at reducing the environmental impact of the packaging used for beauty products. Sephora has joined the coalition in 2024 and, together with Sephora Collection, participates to a testing project of returnable skincare packaging from 14 January 2025, 2025, to 31 July 2025 with 14 stores in Paris, France aimed at understanding consumers' interest in reuse of skincare products<sup>4</sup>. More information on the functioning of the test is provided in the "Sephora Green Heart" chapter.

# Our milestones

Since the early 2000s, Sephora has been on a journey to create a more positive impact within the retail and beauty industries. This is reflected in our social and environmental key milestones.

20  
09



Start of the collaboration with Cèdre<sup>5</sup>, LVMH's sorting and recycling partner, to recycle beauty empties in France



First electric last-mile deliveries in France

20  
15



Introduction of "Sephora Classes for Confidence", our signature empowerment programme

20  
16



First unsold product donation in France



Creation of "Sephora Accelerate", a brand incubation programme in the United States

20  
17



Sephora establishes the "All Abilities Hiring" programme at USA distribution centres (expanding to Canada in 2020)



In China, Sephora commits to its major social impact initiative

20  
18



Sephora North America completes installation of Energy Management Systems (EMS) to all existing sites



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Sephora US launches the Public Chemicals Policy



Sephora Collection wins the first R-AWARD for Eco-design Initiative for the Good for skin.you. all range, awarded by the Club Génération Responsable



Transition to 100% renewable electricity<sup>6</sup> at all Sephora sites in the US and coverage is extended to Canada in 2023



Sephora takes the Fifteen Percent Pledge in the US



Launch of “Sephora Silk Power” in Greater China to promote hiring people with disabilities



Sephora introduces its first holistic DE&I Heart Journey commitments and strategy in the US



Our Global DE&I Policy is formalised, and the DE&I Global Committee is created to drive Sephora’s priorities and actions



Sephora introduces the “China C-Beauty Incubator”, supporting local beauty entrepreneurs



Sephora EME defines its Energy Efficiency Plan and commits to a collective effort to reduce its energy consumption by 10% between October 2022 and October 2023



Expansion of “Sephora Classes for Confidence” to Asia and Latin America



First year of the Make A Rare Impact campaign, in partnership with Rare Beauty by Selena Gomez



Introduction of “Beauty (Re)Purposed”, a beauty empties in-store collection programme in North America



Achievement of Sephora’s global target of -50% Scope 1 and 2 GHG emissions (originally set for 2026) two years ahead of schedule

Launch of Sephora’s global Purpose



Sephora launches new global seals: “Clean at Sephora” and “Planet Aware at Sephora”



First Global Impact and Progress Report



Expands “Sephora Brave Spaces” across 19 markets worldwide



Sephora Collection introduces a new solid and powder product range



Pilot of “La Boucle Beauté”, a testing of the reusability of skincare products for beauty empties in 14 stores in Paris, France, led by Circul’R and WeDon’tNeedRoads with the technical and financial support of Citeo



Sephora North America achieves EDGE certification



Sephora France signs again the “Engagement Charter” of “L’Autre Cercle”, the French leading NGO for LGBTQIA+ inclusion in the workspace in France



# Our roadmaps

Sephora's Red Heart and Green Heart strategic roadmaps establish global aspirations for the medium and long term, providing a unified framework for developing regional strategic plans. This approach ensures coherence while allowing for pragmatic, region-specific implementation.

In 2024, both roadmaps were updated to better reflect Sephora's key impact areas and levers to act and actionable levers.



Sephora's Global Green Heart Roadmap is based on four pillars of action and ten priorities between now and 2030.

## Sephora Global Green Heart Roadmap



### Reduce carbon emissions

Contributing to the decarbonisation of the retail and beauty industry.

- 1 Use **100%** renewable electricity by 2026
- 2 Reduce store electricity consumption to **<300 kWh/m<sup>2</sup>** by 2030
- 3 Limit **airfreight** in tons.kms transported by 2030



### Promote more sustainable consumption

Highlighting and incentivising more sustainable beauty production and consumption practices and habits.

- 4 Increase "Planet Aware at Sephora" sales
- 5 Achieve Sephora Collection targets:
  - **100%** RSPO - certified palm oil & derivatives by 2026
  - **100%** FSC - certified paper and cardboard by 2026
- 6 Engage **top 100 brands** in the "Sephora Sustainability Action Plan" by 2030



### Rethink packaging and waste

Building more responsible retailing practices and operations across our sites and digital platforms.

- 7 Install in-store collection bins in **75%** stores by 2026
- 8 Source **100%** certified\* paper and cardboard in Sephora's seven key usage categories by 2026<sup>8</sup>
- 9 Return, donate, recycle or valorise **100%** of unsold products by 2030

### Engage employees

Fostering employees' active participation to Sephora's Green Heart journey.

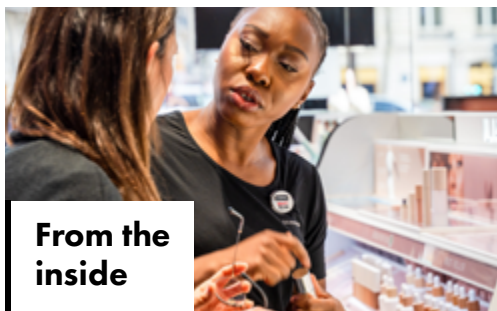
- 10 **100%** employees<sup>7</sup> trained or participated to awareness-raising initiatives on sustainability by 2026



\* FSC-, PEFC-, or SFI-certified



# Sephora Global Red Heart Roadmap



## From the inside

Elevating women, people with disabilities, all generations and other underrepresented communities within our workforce.



## In our culture

Provide employees with opportunities to be actively engaged in our Purpose.



## With our communities

Building inclusive retail experiences that welcome everyone to the world of selective beauty and give back to our local communities.

## Gender equality and equity

Achieve global pay equity: reduce the gender pay gap to less than 5% by 2025

Maintain at least **60%** of women in GKP roles<sup>10</sup> and increase the number of women in GKP succession plans, with a long-term goal of having at least one woman in each GKP succession plan

## Disability

Achieve a minimum of **3%** of employees with disabilities at Sephora by 2025 (4% by 2028)

## All generations

Ensure inclusion and opportunity for all generations at work at Sephora

Continuously evaluate our HR practices and ensure we offer fair wages, especially for entry-level jobs (internships, apprenticeships, first jobs)

## Underrepresented communities

Develop talent from underrepresented communities through dedicated programmes, such as the Rotational Management Programme – “Sephora LEAP” (US) and “Sephora Talent Incubator Programme” (North America)

Deploy initiatives targeting underrepresented communities and support them through donations, partnerships or specific programmes (e.g. “Sephora Classes for Confidence”)



Sephora’s Global Red Heart Roadmap is built around three key action pillars towards Sephora’s employees and served communities.



# Our impacts and progress

**Sephora's strategic and operational directions are shaped by stakeholder expectations and key trends. These include evolving regulations, disclosure requirements and advancements in sustainable development, all of which influence Sephora's Global Red Heart and Green Heart roadmaps and actions.**

Through an analysis of the international sustainability context<sup>11</sup>, we have identified the following social and environmental trends that are broadly relevant to both the retail sector and the beauty industry. Details on how Sephora is addressing these trends are provided in the following chapters.

## Sephora's approach to due diligence and supply chain risk mapping

In 2024, Sephora strengthened its Duty of Vigilance by introducing specific governance through:

- A full-time position, dedicated exclusively to this topic, was created as part of the Global Ethics and Compliance Department.
- The implementation of a "Duty of Vigilance" strategic committee composed of top managers representing the different Sephora's activities.

This topic has been effectively addressed through various risk assessments, adapting different methodologies and using a series of exercises and in-depth analyses of Sephora's operations and its entire value chain.

## From a social perspective

### Multidimensionality of beauty

Consumers seek representation in the products they buy. Inclusiveness and equality of treatment are essential, both within a company's workforce and in its relationships with external stakeholders. With the rise of AI, technology is contributing to an increasingly personalised beauty experience, improving product development and enabling a more inclusive product assortment.

**The "Sephora Illumination" exhibit in Canada**

P.28

### Fair labour practices

This encompasses fair wages and decent working conditions, aligned with fundamental human and labour rights, for both direct employees and other workers in the value chain.

### Employee training and development

Opportunities for upskilling and reskilling are essential in adapting to the evolving labour market influenced by innovation and technology.



**A global week dedicated to training & development**

P.33

### Employee retention strategies

The impact of worldwide business phenomena like the recent "great resignation" highlights the importance of employee retention, attraction and selection plans. Corporate culture and values are key to increasing employee satisfaction and employment quality.



**FOCUS**

# From an environmental perspective

## Plastics, packaging and waste

Increasing regulations<sup>12</sup> drive companies to adopt more virtuous circular business models. These include restrictions on raw materials (e.g. microbeads) which are set to impact the cosmetics industry by imposing changes in manufacturing and production processes. Consumer expectations – especially among Gen Z – include, for instance, recyclable packaging and refillable containers.

### The new solid range by Sephora Collection

P.45



## Product transparency

Customers demand more information on ingredient sources and raw materials<sup>13</sup>, with a focus on both harmful chemicals (e.g. PFAs) and environmental impacts (more sustainably sourced ingredients). Scrutiny of some specific ingredients, like palm oil, is pushing the beauty industry to find more sustainable alternatives.

### Sephora Global Seals

P.43

## Climate change

The 2015 Paris Agreement<sup>14</sup> sets targets to limit temperature rise. Current scenarios show shortfalls in meeting these goals. For the beauty industry, significant CO<sub>2</sub> emissions come from product use and end-of-life.

## Pressure and dependency on the natural ecosystem

Over half of global GDP depends on natural ecosystems<sup>15</sup>. The beauty industry's reliance on natural ingredients underscores the importance of preventing biodiversity loss and resource scarcity due to ecosystem exploitation.



## Our actions to manage our impacts all along our value chain

## Select and deliver

## 1 Product selection



## 2 Supply planning



### 3 Logistics & distribution



## Create our own products

#### 4 Sephora Collection products



## Ensure the best client experience

## 5 Elevated store experience



## 6 E-commerce



## 7 Product use & End-of-Life



## WHAT WE DO FOR A MORE RESPONSIBLE VALUE CHAIN

- ▶ Access opportunities to enter the beauty industry for diverse brand founders
- ▶ Advocate for more positive-impact solutions (Sephora's global seals)

- ▶ Balance between supply planning efficiency and better sustainability practices
- ▶ Evaluation of suppliers' environmental and social compliance

- ▶ Transport optimisation
- ▶ Airfreight reduction
- ▶ Improvement of deliveries to stores via hybrid and/or electric vehicles in some cities

- ▶ Accessible and inclusive prestige beauty experience
- ▶ Progressive transition to more responsible sourcing
- ▶ Internal quality checks to ensure compliance with social and environmental requirements
- ▶ New product range dedicated to solid and powder SKUs

- ▶ A place for inclusion: "Sephora Classes for Confidence" and "Sephora Brave Spaces"
- ▶ Energy efficiency measures, consumption monitoring, and switch to renewables




- ▶ Weight optimisation for e-commerce parcels
- ▶ Transition to alternative materials for packaging (e.g., FSC/PEFC-certified paper and cardboard)

- ▶ Awareness-raising for more sustainable consumption
- ▶ Unsold products management
- ▶ In-store collection bins for beauty empties



## IMPACT



ENVIRONMENT  GR

SOCIAL  RH





-  RH MULTIDIMENSIONALITY OF BEAUTY
-  GH PRODUCT TRANSPARENCY
-  GH PRESSURE AND DEPENDENCY ON THE NATURAL ECOSYSTEM




- 





-  CLIMATE CHANGE  
 FAIR LABOUR PRACTICES

-  RH MULTIDIMENSIONALITY  
OF BEAUTY
-  RH FAIR LABOUR PRACTICES

- GH PLASTICS, PACKAGING AND WASTE
- GH PRODUCT TRANSPARENCY
- GH CLIMATE CHANGE
- GH PRESSURE AND DEPENDENCY ON THE NATURAL ECOSYSTEM

-  CLIMATE CHANGE
-  MULTIDIMENSIONALITY OF BEAUTY
-  EMPLOYEE TRAINING AND DEVELOPMENT
-  EMPLOYEE RETENTION STRATEGIES

-  GH PLASTICS, PACKAGING AND WASTE
-  GH CLIMATE CHANGE
-  RH MULTIDIMENSIONALITY OF BEAUTY








-  RH MULTIDIMENSIONALITY OF BEAUTY
-  GH PLASTICS, PACKAGING AND WASTE
-  GH PRODUCT TRANSPARENCY
-  GH CLIMATE CHANGE

## AWARENESS-RAISING AND ENGAGEMENT OF

## EMPLOYEES ON SOCIAL AND ENVIRONMENTAL TOPICS



# Our results

<div>Red Heart</div>	Topic	Goal	Target	Global performance		
				2023	2024	Progress
	Gender equality and equity	<ul style="list-style-type: none"> <li>Women in Group Key Positions (GKP)<sup>10</sup> roles</li> <li>Women in GKP succession plans</li> <li>Gender pay gap</li> </ul>	<ul style="list-style-type: none"> <li>60% by 2023</li> <li>100% by 2026</li> <li>&lt; 5% by 2025</li> </ul>	63% 70.5% 5.6%	<b>73%</b> <b>75.5%</b> <b>5.1%</b>	+10 pts  +5 pts  -0.5 pts 
	People with disabilities	<ul style="list-style-type: none"> <li>People with disabilities employed by Sephora</li> </ul>	<ul style="list-style-type: none"> <li>3% by 2025 globally (4% by 2028)</li> </ul>	2.7%	<b>2.8%</b>	+0.1 pt 
	Local communities	<ul style="list-style-type: none"> <li>Scale “Sephora Classes for Confidence”</li> </ul>	<ul style="list-style-type: none"> <li>4,000+ attendees by 2026</li> </ul>	1,038	<b>2,382</b>	+129% 
	Employee Engagement	<ul style="list-style-type: none"> <li>Social and environmental activations</li> <li>Employee engagement in Sephora’s Purpose</li> </ul>	<ul style="list-style-type: none"> <li>10% of employees worldwide actively involved in volunteerism or other social/environmental engagement activities by 2026</li> <li>Sephora “Global engagement &amp; Belonging Survey” score to the question “The work that I do at Sephora is meaningful to me”</li> </ul>	Tracking under refinement		
				83 pts	84 pts	+1 pt 



Topic	Goal	Target	Global performance		
			2023	2024	Progress
<b>Reduce carbon emissions</b>	<ul style="list-style-type: none"> <li>Transition to renewable electricity</li> <li>Improve stores' energy efficiency</li> <li>Reduce airfreight in own operations</li> </ul>	<ul style="list-style-type: none"> <li>Use 100% renewable electricity by 2026</li> <li>Reduce store energy use to &lt; 300 kWh/sqm by 2030</li> <li>Limit airfreight in tons.kms transported by 2030</li> </ul>	85% 316 kWh/sqm 12% AERO <sup>16, 17</sup>	<b>95%</b> <b>315 kWh/sqm</b> <b>9% AERO<sup>16</sup></b>	+10 pts -1 kWh/sqm -3 pts
<b>Promote more sustainable consumption</b>	<ul style="list-style-type: none"> <li>Engage brands in the "Sephora Sustainability Action Plan"</li> </ul>	<ul style="list-style-type: none"> <li>Top 100 brands engaged in the "Sephora Sustainability Action Plan" by 2030</li> </ul>	—	Related actions will start in 2025	
<b>Rethink packaging and waste</b>	<ul style="list-style-type: none"> <li>Install in-store collection bins</li> <li>Source certified cardboard and paper for retail operations and office<sup>8</sup></li> </ul>	<ul style="list-style-type: none"> <li>Install in-store collection bins in 75% of stores by 2026</li> <li>Source 100% FSC-, PEFC-, or SFI-certified paper &amp; cardboard in Sephora's seven key usage categories by 2026<sup>8</sup></li> </ul>	56% Not reported	<b>50%</b> <b>63%</b> (including Sephora Collection)	-6 pts *
<b>Engage employees</b>	<ul style="list-style-type: none"> <li>Train and/or raise awareness for all employees<sup>7</sup> to increase their knowledge and engagement on sustainability at Sephora</li> </ul>	<ul style="list-style-type: none"> <li>100% employees<sup>7</sup> trained or having participated to awareness-raising initiatives on sustainability by 2026</li> </ul>	Not reported	<b>5.5%</b> (only including employees' participation to these initiatives in 2024)	

\* Considering the increase in the number of doors in 2024 compared to 2023



# Materiality at Sephora

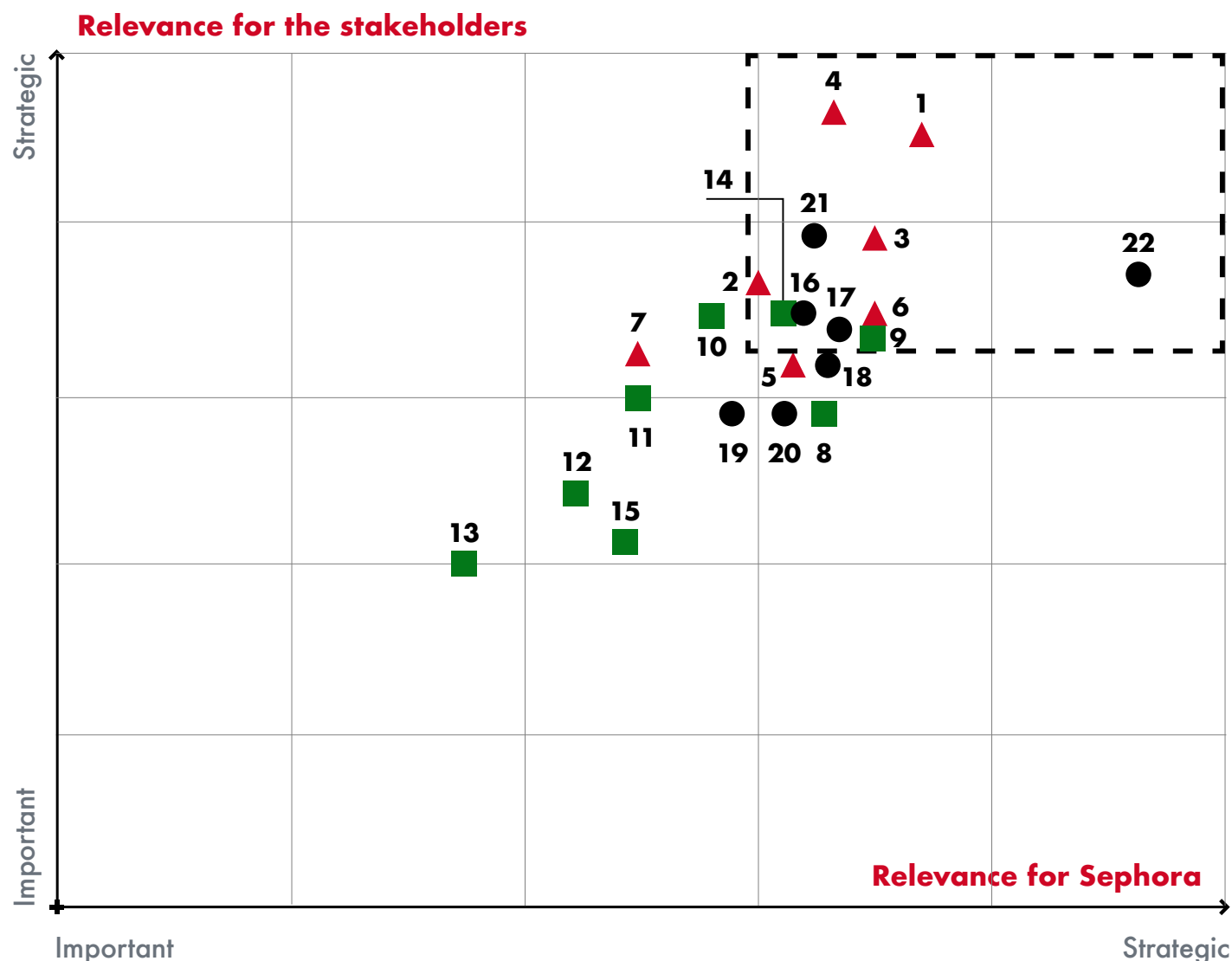
In 2023, we performed our first materiality assessment<sup>18</sup>, identifying 11 material topics for Sephora and its stakeholders out of the 22 that were initially rated.

As part of the Sephora's 2024 Global Engagement Survey dedicated to employees worldwide our people had the opportunity to express their feedback about social and environmental topics on which Sephora should commit and act. Many expressed pride in working for a company that actively embraces these values and contributes to positive change. Their return further validates Sephora's priorities in both social and environmental fields.

In particular, the analysis of the received comments showed that, from a social point of view, Sephora's employees have a positive perception of the company's efforts in promoting **diversity and inclusion** within the workplace and in marketing campaigns. Additionally, **employee well-being** was raised as a core focus.

From an environmental perspective, initiatives such as the **"Planet Aware at Sephora"** seal, engagement through Employee Resource Groups at regional and local level, and the implementation of **recycling programmes** are recognised by employees as Sephora's key actions in the field.

People at Sephora also think further attention should be given to **plastic packaging** in deliveries.



## ▲ Red Heart

- 1 Gender equality
- 2 People with disabilities
- 3 Other underrepresented communities
- 4 Respectful working environment and employee engagement
- 5 Training & development
- 6 Talents attraction, selection, and retention
- 7 Community engagement

## ■ Green Heart

- 8 Energy efficiency and consumption
- 9 Reduce, Reuse & Recycle
- 10 Waste pollution
- 11 More sustainable raw materials
- 12 Natural ingredients
- 13 Biodiversity
- 14 Customers' environmental awareness
- 15 Financial impacts of climate change

## ● Other topics

- 16 Clean products
- 17 Fundamental human & labour rights in the supply chain
- 18 Stakeholder engagement
- 19 Innovation & technology
- 20 Responsible sourcing
- 21 Transparency & information availability
- 22 Brand reputation



# *Ensuring a beautiful tomorrow*

With our curation of more than *500 brands* we offer the most unique and diverse range of Prestige beauty products, tailored to our customers' needs from fragrance to make up, haircare, skincare and beyond.

## Our brand portfolio features

### Third-Party Brands

- **Exclusive** - Partner only with Sephora as their sole physical retail distribution point
- **Limited** - Partner with Sephora, together with a limited number of non-Sephora distribution points
- **Broad** - Widely available brands

### Private Label: Sephora Collection

Our own label, offering make-up, skincare, body, hair, and accessories

# Towards more responsible beauty

Our commitment to our customers' beauty begins with ensuring we have the best selection of the products people love from the brands they trust. We are committed to promoting more responsible products and formulas, and to elevating more sustainable sourcing and transparency in formulation and packaging.

WOOD

ZOOM IN

ZOOM IN

WOOD



### SEPHORA US RECOGNISED FOR COMMITMENT TO SAFETY AND TRANSPARENCY IN BEAUTY

Sephora US has been ranked #2 out of 50 retailers in the **"2024 Mind the Store Retailer Report Card"**<sup>22</sup>, up from #4 in 2021.

The programme, led by Toxic-Free Future<sup>23</sup>, evaluates retailers on their efforts to reduce toxic chemicals and plastic in products, packaging and supply chains.

Sephora US has received an A- grade, a significant improvement from the D score in 2017, the first year of assessment for the company. This achievement reflects our ongoing commitment to safer products, more sustainable practices and transparency for our clients and the planet.

In the United States, Sephora publishes a Public Chemicals Policy<sup>19</sup>, along with progress reports on the Policy goals, providing guidance and training to its suppliers on reducing chemicals of concern and in identifying safer alternatives. Our expanded high-priority chemicals list, updated in 2023, now includes chemicals in packaging, specifications for fragrance products, and addresses product safety, environmental impacts and the types of ingredients commonly used in products marketed to people of colour<sup>20</sup>.

Sephora unveiled its new global seals in March 2024, "Clean at Sephora", and "Planet Aware at Sephora" ([see chapter "Sephora Green Heart" for more details](#)).

These new seals are the result of two years of rigorous work led by our teams across all regions, in collaboration with scientific experts<sup>21</sup>. The goal was, to develop a common point of view, shared frameworks, and speak a common language when it comes to more sustainable beauty at Sephora. They mark a significant step forward in our mission to give more transparency to customers. Our new seals are unified across our regions and apply at the brand level.



Flash the QRcode to discover the details of the seal

**Clean at Sephora:** it offers brands with formulas that go beyond regulatory standards to avoid certain ingredients without sacrificing on effectiveness.

Today, 156 brands worldwide have met the "Clean at Sephora" ingredients list<sup>24</sup>.

Our relationships with brands and indirect suppliers are built on **responsibility, fairness and integrity**.

During the selection phase, we screen potential suppliers for their ethical, social and environmental performance before entering into partnership. Sephora ensures that all suppliers receive the **LVMH Supplier Code of Conduct**<sup>25</sup>, which outline key expectations in labour standards, social responsibility, environmental protection and business ethics.

To ensure compliance, Sephora conducts audits of its suppliers and subcontractors, focusing on continuous improvement. In cases of non-compliance, we provide support through corrective action plans and follow-up audits. For indirect suppliers, audits are conducted via the EcoVadis assessment<sup>26</sup>, which monitors their social, environmental and ethical performance over time.





# A deep dive into the world of Sephora Collection

Sephora Collection products adhere to high standards for **quality, traceability** and **safety**.

This commitment is reflected in the rigorous selection of cosmetics ingredients and packaging materials, aligned with LVMH’s robust guidelines, which are based on the most demanding industry benchmarks. The brand’s Unique Restriction Substance List, which includes more than 1,400 ingredients, is regularly updated in line with the recommendations from cosmetics industry experts and the latest scientific research.

During the product development phase, most Sephora Collection products undergo approximately 20 tests each. Suppliers go through a strict selection process to demonstrate compliance with quality, safety, social and environmental standards. In 2023, Sephora Collection established a social and environmental audit policy to define its approach and implementation.

Specifically, on the social side, audits aligned with the international SA8000<sup>27</sup> standard ensure that suppliers’ business practices regarding social laws, worker protections and human resources policies comply with legal or industry requirements, particularly in high-risk areas<sup>28</sup>. Audits also assess suppliers’ environmental performance their management systems and the processes they implement to ensure environmental protection.

Over the past two years, Sephora Collection has accelerated its transformation towards more responsible beauty, across three focus areas: about products’ accessibility and inclusivity, as well as more responsible and sustainable offering.

## Product

We develop our offer of mindfully created products with a no-fluff mindset.

The skincare range meets the “Clean at Sephora” ingredient list, ensuring that products are formulated without components such as parabens, sulphates, mineral oils or silicones.

Sephora Collection also focuses on the essential, eliminating all unnecessary packaging for makeup products, such as secondary boxes.



31%

of recycled raw materials used  
by Sephora Collection for product  
packaging in 2024



Cardboard sourced by Sephora Collection for its primary packaging is **99% FSC-certified**, in line with the brands' target to fully use certified paper and cardboard in primary packaging by 2026.

Sephora Collection **new brush set** is made up of synthetic fibres and the handle consists of material obtain **40% from rice waste and 60% from Post-Consumer Recycled (PCR) plastics**. The pouch has been designed to be reusable, the cardboard insert is FSC certified and printed with vegetable inks.

In autumn 2024, Sephora Collection redefined its iconic **Cream Lip Stain lipstick** with more environmentally conscious packaging, **reducing its total weight by 7.7%**, the equivalent of **2.5 tonnes of plastic annually<sup>29</sup>**. The cap is now **100% Post-Consumer Recycled (PCR)<sup>30</sup>** plastics, while the tube contains **50% PCR and no plastic wrap**.



## Planet

Through constant innovation, we are committed to always do better.

In early 2025, Sephora Collection launched the **first solid and powder range**, including a foaming shower powder, cleansing scrub, deodorant, solid shampoo and solid conditioner.

This range enables more responsible beauty consumption by reducing water usage in formulations, minimising packaging material consumption, optimising product weight and volume, and extending product longevity.

This new range is now recognised under the "Planet Aware at Sephora" seal.

All haircare products and almost 100% products of the skincare and makeup categories contain **at least 90% ingredients from natural origin**. Among Sephora Collection SKUs, close to **90% are vegan**.

The **Size Up mascara** is the first vegan mascara from Sephora Collection, formulated without any animal-derived ingredients.

Sensitive ingredients such as mica, palm oil, carton and cotton are very carefully selected.

# 94%

of palm oil is RSPO Mass Balance and RSPO Segregated certified in 2024



Sephora Collection has also reformulated its masks and cleansing wipes that are now compostable\* (excluding the packaging).

Sephora Collection's Point-of-Sale Materials (POSM) in stores are now made of recycled and recyclable plastic; the new concept has allowed up to 36% reduction in the weight of the structure, as well as an optimisation of its power consumption. All the items are separable to ease disassembly; modules, indeed, don't contain glue but presents mechanical fixations and easily removable peel offs.

\*In line with the TÜV AUSTRIA Belgium "OK Compost Home" certification (based on the NF T51-800 Standard).





# Committed beauty

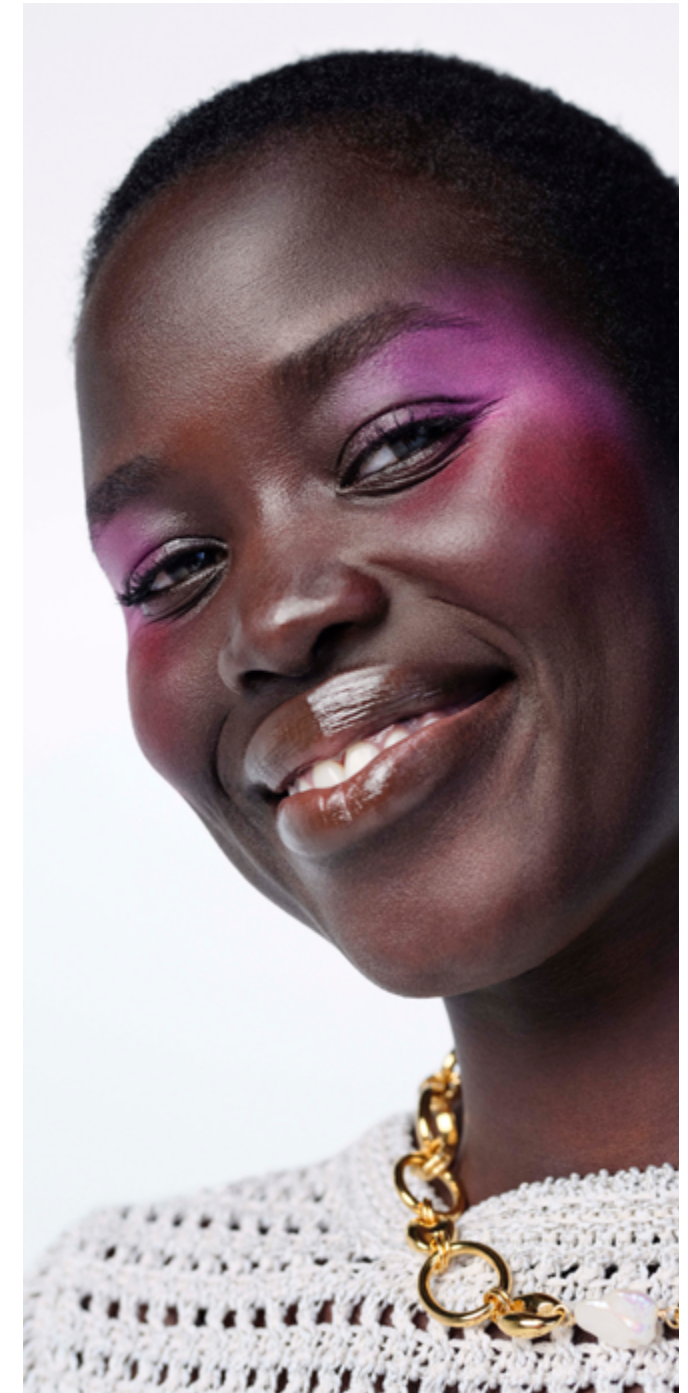
**Our commitment to meaningful beauty means making beauty accessible to everyone, and in a way in which everyone feels represented.**

We strive to offer an inclusive shopping experience, both in-store and online, with a product assortment that reflects our diverse clients' needs in an accessible and welcoming environment.

Our own brand, Sephora Collection, plays a fundamental role in providing an accessible and inclusive prestige beauty experience for new and experienced customers alike.

For instance, Sephora Collection's **Best Skin Ever foundation** is suitable for all skin types and available in **48 shades** so that everyone can find their match. The same applies to the same line's **concealer**, which is available in **26 shades**.

In June 2020, Sephora became the first major retailer to take the **Fifteen Percent Pledge**, committing at least 15% of its assortment to Black-owned brands in the United States. Since then, we have more than doubled our overall assortment of Black-owned brands, reaching 15% in the hair category. Currently, Sephora North America carries 30 Black-owned brands, up from just 8 in 2020. In 2023, Sephora US introduced the first-ever **Sephora Beauty Grant** in partnership with the Fifteen Percent Pledge. The grant awards one Black beauty-business owner \$100,000 USD to unlock the next level of growth and potential for their brand.



## SEPHORA ACCELERATE

Launched in the US in 2016, Sephora Accelerate is an incubation programme designed to foster innovative and diverse beauty founders. In line with Sephora's commitment to the Fifteen Percent Pledge, it focuses on supporting founders from under-represented backgrounds to help create a more inclusive beauty industry.

The Sephora Accelerate programme features an industry-leading six-month curriculum with mentorship, merchandising support, grants, and investor connections for all participants. Through this journey, brands gain the necessary skills and relationships to build and sustain a successful business through consistent, cohesive, and ongoing support backed by digital and in-person resources including 1:1 consulting and a dedicated advisory team comprised of beauty industry partners, legacy founders from within the Sephora portfolio, and financial professionals – unlocking unparalleled access to, and tailored guidance from, Sephora's powerhouse network. In addition, brands have the unique experience of building a heart-and-soul connection to our community and its ecosystem, as well as the opportunity of a lifetime-launching with Sephora North America, upon completion.

In 2024, Sephora introduced the **Sephora Impact Summit**, a two-day event focused on building, supporting, and championing brand founders through community building, networking and unlocking access to strategic learnings and resources.

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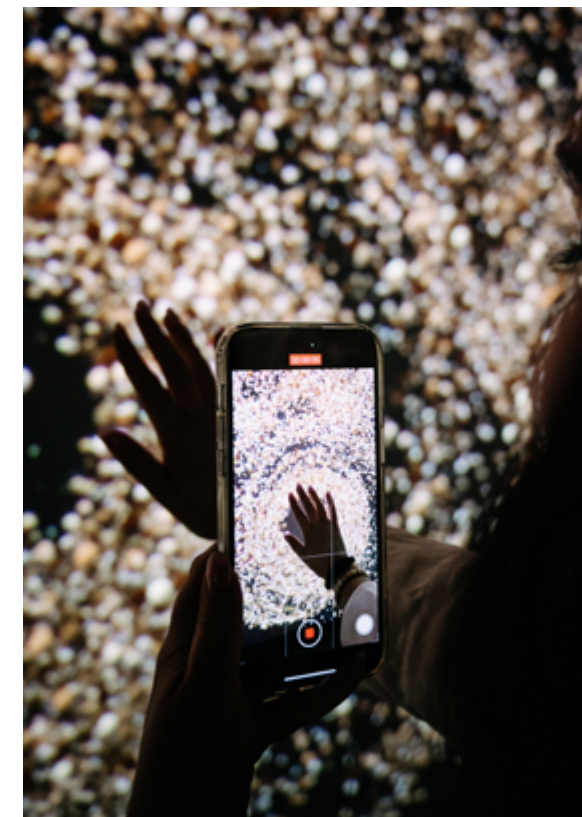
brands have graduated from the programme since 2021

+50%

of the brands from recent cohorts (2021-2023) have since launched at Sephora



## SEPHORA ILLUMINATION



In 2023, Sephora Canada unveiled Sephora Illumination, powered by Colour iQ, a new immersive installation that harnesses the power of the retailer's shade matching AI technology to showcase the diversity of beauty in Canada.

Created using more than 140,000 shades of diverse Canadians who found their unique match through Sephora's free in-store Colour iQ service, the installation is a stunning reflection of the nation's collective beauty from coast-to-coast.





# Sephora Red Heart

For us, beauty is about connecting deeply with others, celebrating diversity and inclusivity, unlocking people’s potential, and making a difference every day.

Featured on the photo: Jurita Agarwal, Lauren Hough, and Nikiy Reaves (Sephora US)  
Photo credits: Kvitka Films  
Photos taken in the US: © Cleber Correa

73% +10pts 

of our Top Manager roles<sup>10</sup>  
are held by women  
2023: 63%

2.8% +0.13pts 

of our workforce consists of people  
with disabilities worldwide  
2023: 2.67%

€11.8M  

donated to communities in need<sup>31</sup>  
2023: €10.4 million

# Championing a world of inspiration and inclusion

Across the globe, colleagues bring communities together through a shared passion for beauty. This is the Sephora magic brought to life by each of us. It is our shared **Purpose and Values** that make the greatest impact on our business.

We are committed to fostering inclusive behaviours throughout our organisation and ecosystem. At Sephora, we believe that true beauty is the authentic nature of each one of us.

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## "BEAUTY & BELONGING", A GLOBAL PORTRAIT OF BEAUTY

In January 2025, we proudly released our first global film "Beauty & Belonging", directed by acclaimed filmmaker Anastasia Mikova, presented at BrandStorytelling at Sundance. This film offers a fascinating exploration of the world of beauty and how people around the world define beauty for themselves. Sephora gave full freedom to Anastasia Mikova to authentically capture the essence of Sephora's DNA through her camera.

The film is an immersion into conversations with **over 75 Sephora employees** and founders of iconic beauty brands. The film was shot in studios and real-life environments in eight countries: Brazil, Canada, China, France, Poland, Thailand, the UK and the USA. It explores **individual experiences and perspectives on beauty** such as the meaning of applying makeup for the first time, as well as the importance of an inclusive view of beauty, and how to free yourself from the gaze of others and stand out in your way.

Through this film, we celebrate our passionate global community and reaffirm our purpose of championing a world of inspiration and inclusion where everyone can celebrate their own beauty.



Flash the QRcode  
to watch "Beauty  
& Belonging"



Featuring: Quele Bonfim, Raphael Donato, and Milene Oto (Sephora Brazil).  
Photo credits: Kvitka Films. Photos taken in Brazil: © Cleber Correa

# Welcoming all to the world of beauty

We strive to ensure that our teams and leaders reflect the diversity of the communities we serve, and that fairness and equity are upheld as a standard across our organisation.

Sephora hosts a global community of **56,000 employees**, representing **more than 187 nationalities**. **Eighty-four percent** of Sephora's global workforce is made up of employees who self-identify as women, with **over half of all employees under the age of 30**. Our Beauty Advisors community forms a significant part of our workforce, representing 84% of total employees.

## Gender equality and equity

We continuously endeavour to accelerate our efforts towards inclusion and gender equity through emphasis on **inclusive hiring** and **advancement programmes**, and through a commitment to **eliminate the gender pay gap**. Key facts about the representation of women in leadership positions at Sephora in 2024:

**7 out of 9**

members of our Sephora's Executive Leadership Team are women

**87%**

of our Store Directors self-identify as women



Sephora wants employees to feel secure during parenthood and enjoy their time with their children without financial strain. In addition to complying with local legislation, Sephora has introduced specific parenthood initiatives in certain markets that often exceed the legal requirements in place.

Among others: in France we increased nursery access within our partner network and provided a parenting platform with support services; in Mexico, Hong Kong, Australia and New Zealand Sephora's parental leave policies are more advantageous than legal mandates. Together with supplemental support and comprehensive benefits, US and Canada headquarters provide Mother's Rooms, and an employee affinity group offers additional resources for working parents.



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### "POWER BREAKFAST" BY EllesVMHxSephora

Sephora believes in empowering women, not just through beauty but through knowledge and connection. That's why, in early 2024, the EllesVMHxSephora Employee Resource Group (ERG) launched the "Power Breakfast" series, a unique initiative designed to ignite conversations and inspire action.

Held at Sephora's headquarters in Paris, these intimate gatherings bring together small groups of employees with influential female leaders from across the Maison. Over breakfast, participants delve into a range of topics crucial to women's empowerment, such as cultivating and owning ambition and dismantling imposter syndrome.

With each session, the "Power Breakfast" initiative fosters **open dialogue, mentorship** and **support**, empowering Sephora's women to reach their full potential. During the year, "Power Breakfasts" welcomed around 200 employees. Notably, nearly 60% of participants were not members of the ERG, highlighting the importance of such initiative to create a larger community around these topics.



# Disability allyship

Aligned with LVMH 2025 CSR Roadmap, Sephora set a goal of 2% of employees with disabilities by 2025 worldwide. We achieved this target in 2023, with 2.67% of our workforce comprising employees with disabilities. We now aim to increase this ratio globally to 3% by 2025 (4% by 2028).

We encourage open communication about disabilities, whether temporary or permanent, visible or invisible, fostering an environment where everyone can reveal their uniqueness. Our **Disability Disclosure Guide** provides clarity and resources, including dedicated LVMH internal platforms.

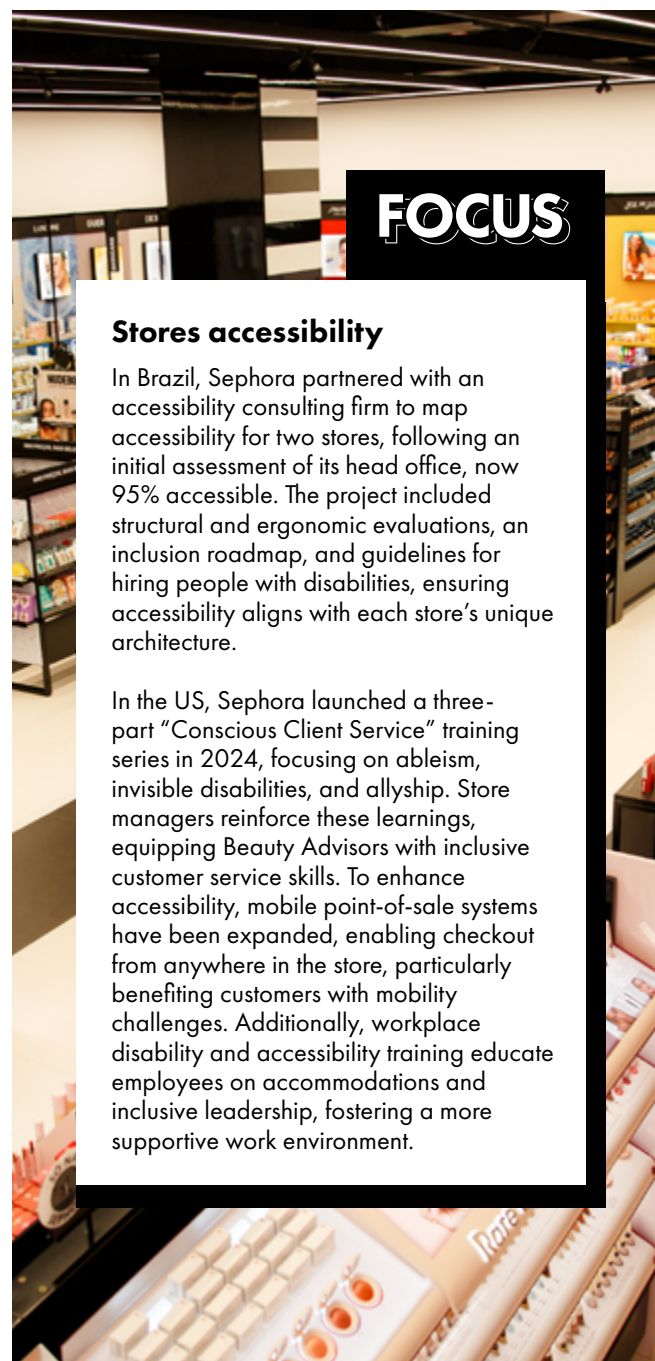
Sephora's **Disability Allyship Guides**, first rolled out in Asia, and recently in EME provide employees with key facts and figures, as well as links to additional resources, enabling everyone to be better informed with general insights, and to help employees be advocates and allies for other colleagues.

Sephora is also taking action to address physical accessibility in some markets.

## Our focus areas

Neurodiversity

Chronic diseases



## Stores accessibility

In Brazil, Sephora partnered with an accessibility consulting firm to map accessibility for two stores, following an initial assessment of its head office, now 95% accessible. The project included structural and ergonomic evaluations, an inclusion roadmap, and guidelines for hiring people with disabilities, ensuring accessibility aligns with each store's unique architecture.

In the US, Sephora launched a three-part "Conscious Client Service" training series in 2024, focusing on ableism, invisible disabilities, and allyship. Store managers reinforce these learnings, equipping Beauty Advisors with inclusive customer service skills. To enhance accessibility, mobile point-of-sale systems have been expanded, enabling checkout from anywhere in the store, particularly benefiting customers with mobility challenges. Additionally, workplace disability and accessibility training educate employees on accommodations and inclusive leadership, fostering a more supportive work environment.

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## PROMOTING DISABILITY INCLUSION AROUND THE WORLD

In France, Mission Handicap launched an awareness campaign to highlight the Recognition of Disabled Worker Status (RQTH). Sephora also joined "DuoDay", where store employees were paired with a person with a disability to introduce them to the Beauty Advisor role. More than 40 "duos" have been formed in our stores across France.

In Italy, Sephora partnered with a local nonprofit foundation to employ individuals with mental disabilities and hosted workshops to experience first-hand the feelings, emotions and difficulties of three types of disability: motor, visual and neurodiversity.

In Greece, a workshop dedicated to Beauty Advisors provided training on serving customers with visual impairments, to understand their needs and offer them the best in-store experience.

Sephora Iberia doubled its hiring of people with disabilities through a partnership with Fundación Integra and earned the Integra Commitment Distinction, not only for this recruitment success but also for all the actions carried out throughout the year.

At SEPHORiA 2024 in Atlanta, United States, people with disabilities were hired for the event in partnership with Best Buddies, Sephora US' nonprofit partner. Sephora North America's "All Abilities Hiring" programme offers training and support for people with disabilities in US and Canada distribution centres, resulting in 97 new hires and improved workplace practices.

In Asia, throughout the year, Sephora organised disability awareness booths, panel discussions, sign language classes, and a job shadowing programme for students with intellectual disabilities to gain hands-on retail experience through rotational training in stores.

# Learning, development & engagement

Creating a culture of continuous learning is a key priority for Sephora's future development.

At Sephora, we also invest in leadership and managerial culture to ensure the best employee experience.

**Sephora Winning Together** is our first worldwide leadership-development programme. Launched 10 years ago, it has supported our growth by fostering a collaborative "Winning Together" culture. Through dedicated coaching, leadership awareness and a strong leader network, it empowers participants to become ambassadors of Sephora's values.

## FOCUS

### Sephora's Global Learning Week 2024

For the second consecutive year, Sephora hosted Global Learning Week in September 2024. This collective moment offers Sephora HQ employees the opportunity to learn and immerse themselves in new perspectives, inspiration, and innovative ideas.

These four days of learning gave Sephora employees the chance to explore new topics—ranging from change management and self-awareness to collaboration and strategic thinking. It was an opportunity to strengthen the connection between Sephora's values and behaviours while intentionally developing skills that bring those values to life in our everyday work.

The Learning week is also the opportunity to leverage D&I core training such as workshops and e-learning content on Inclusive Leadership, equal opportunity recruitment and sustainability.

In total, the second edition of the Sephora Learning Week gathered more than 4,000 participations and no less than 66 activations happening simultaneously around the world!

The **Sephora Talent Incubator Programme**, launched in the US in 2021 and expanded to Canada in 2023, provides mentorship, group coaching and individual coaching to underrepresented talents of colour. So far, 200 mentees have completed the programme, with over 50% promoted to the next managerial level.

Uniqueness, inspiration and memorable experiences are the principles that guide us as we lay the foundation of our employee experience. **"GLOW"** our new 365-day onboarding journey, ensures newcomers feel welcomed, valued and empowered to embrace Sephora's culture while quickly adapting to our fast-paced environment. With universal access to high-quality content, we promote training consistency, community building and deeper engagement, fostering a strong sense of belonging.

**Sephora University** is our in-house training institution dedicated to developing retail employees across EME, Asia and Brazil. It strengthens skills in client experience, product knowledge and leadership, while evolving with market trends, scientific advancements and customer expectations.

In EME, Sephora University earned Qualiopi certification in 2023, recognising its training excellence and reinforcing a shared standard of quality across the region.



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## INCLUSIVE LEADERSHIP TRAINING

We consistently promote foundational inclusive leadership training, covering topics such as DE&I fundamentals, unconscious bias and de-escalation. Dedicated training and awareness initiatives are organised at the regional level.

### Our "Bootcamp for Awareness" in EME

Sephora EME launched "Sephora Bootcamp for Awareness" in late 2023, a holistic initiative designed to instill a diversity and inclusion mindset across the organisation. The multi-format approach includes conferences and workshops with inspiring speakers covering topics like mental health and inclusive leadership, podcasts featuring interviews with athletes on diversity and inclusion in sports, and e-learning modules providing guidance on inclusive recruitment and understanding diverse perspectives.

### Latin America's journey to strengthen awareness

 In Brazil, Sephora trained HR corporate and retail teams on inclusive recruitment, focusing on underrepresented groups such as people with disabilities and people of colour. The training covered unconscious bias and equitable hiring practices, and a specific awareness-raising session was dedicated to executive leadership.

 In Mexico, the DE&I Committee trained HR teams on diversity fundamentals. In 2025, focus groups with store and office employees will explore strategic priorities and development opportunities.

# Community impact

Sephora is committed to championing a more inclusive society for all. To achieve this goal, we partner up with non-profit organisations to give back to communities across all our markets. Through strategic giving initiatives, we also empower our clients and employees to create positive change, together.

In 2024, Sephora defined its global “Giving Framework”, identifying two global priority communities – **gender** and **disability** – and three regional priorities: LGBTQIA+ communities, people over the age of 55 and historically excluded race/ethnicity groups. The framework also defines focus areas for strategic partnerships with NGOs in **social and economic inclusion**. By 2026, every market or hub will have at least one deep partnership aligned with these priority communities and focus areas.

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## SEPHORA DEBUTS IN ASIA WITH ITS FIRST PURPOSE WEEK!

In 2024, Sephora Asia became the first Region to dedicate an entire week to Purpose. “Purpose Week” is a volunteering initiative allowing employees across Asia to take time off to support causes they care about most.

*Understanding our Asia Sephorians through our Purpose Week Survey*

7 days

4 questions

105 respondents

9 markets

55%

those Persons with Disabilities in the community they would like to contribute to the most

77%

would like to engage with diverse communities through volunteering

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## GIVING ACTIVATIONS IN NORTH AMERICA

Sephora North America has defined various occasions to give back to communities in need. All activations are managed through the **Benevity platform**, accessible to all employees. In April, during **National Volunteering Month**, employees are encouraged to volunteer through the platform, earning monetary rewards per hour to donate back to the NGO they support, doubling their impact. “**Giving Tuesday**” in December, is another major moment for social impact. At Sephora, we are dedicated to supporting our NGO partners for the long term. In North America, we use a donor-advised fund to provide steady, ongoing support, helping us invest in the communities we serve and create lasting impact.

1,913

communities and organisations supported

716

employees participating

7,840

hours of volunteering

## Employee Resource Groups (ERGs) at Sephora

ERGs play a key role in fostering connections and awareness, dialogue, addressing employee expectations and social causes, and encouraging action. Open to headquarters employees, they operate with a governance structure, led by a core team that organises initiatives and an extended team that supports execution.

These groups drive real change through initiatives such as clean-up days and charity sales. In France, three ERGs launched in early 2023: “Pride at Sephora”, “EllesVMHxSephora” and “Sephora Planet.” In Italy, Poland and Spain, employees can contribute to Sephora Stands Committees, engaging in social and environmental initiatives.

Launched in 2018 in the US, Sephora’s INCommunities are open to all employees and allies across offices, stores, and distribution centres. With 1 in 4 being a Store Manager, members are easily connected through the “My Sephora Inclusion” platform and app, to events, resources, and a new mentoring program scheduled to launch in 2025.

Sephora Canada launched their INCommunity programme in 2022 with five groups to support Black (Onyx), Indigenous (SOARS), 2SA (Prism)+, East Asian (Lotus) and South Asian (Gold) employees. Their programme is open to headquarters and retail employees, where in 2024, nearly **10% of the total workforce participated as members or allies in ERG-led activities** and other social and environmental initiatives, including volunteerism.

Other markets created local ERGs throughout 2024, such as Brazil where “affinity groups” was created with a focus on generations and the concept of intersectionality with other diversity characteristics.

In Asia, the “Disability Inclusion Committee” is the local ERG based in Singapore that focuses on disability.

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SEPHORA

2024 Global Impact and Progress Report

Leading with Purpose

Ensuring a beautiful tomorrow

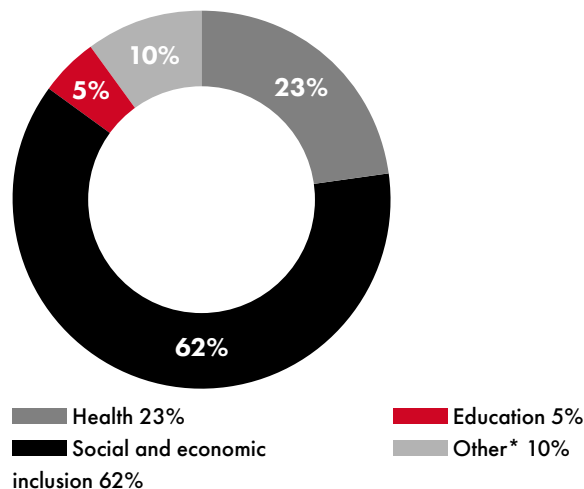
Sephora Red Heart

Sephora Green Heart

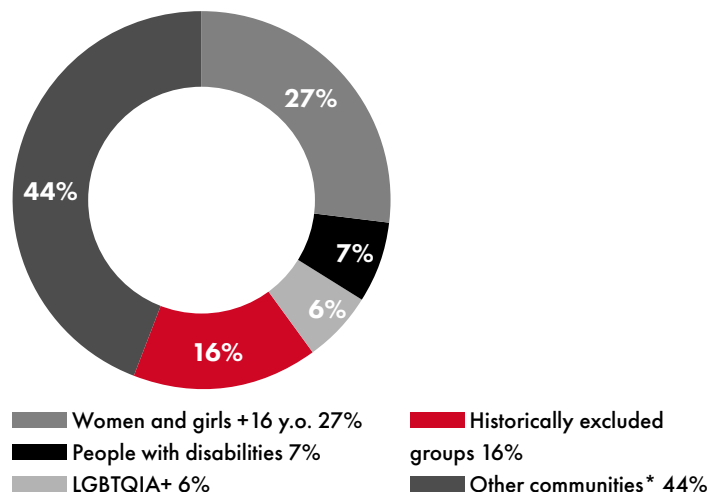


In 2024, we donated **€11.8 million** to communities in need – through financial and material donations<sup>32</sup> – supporting **more than 1.8 million estimated beneficiaries worldwide**.

## Global donations in 2024, by key impact area



## Global donations in 2024, by impacted community



\* Including donations through the "Make A Rare Impact" campaign

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## IMPACT THROUGH CAMPAIGNS

🇮🇹 On 25<sup>th</sup> November, the International Day for the Elimination of Violence Against Women, Sephora Italy, in partnership with Pangea ETS Foundation<sup>33</sup>, launched "Getting Ready", an awareness campaign highlighting the subtle forms of violence, including control over self-expression and makeup. Building on the success of "mAl Colpevoli", this campaign raises awareness of "Early Signs" – the first indicators of psychological and gender-based violence. Self-expression through appearance, fashion and makeup is often a target of controlling behaviour. "Getting Ready" emphasises the importance of personal freedom and encourages victims and witnesses to seek help.



Flash the QRcode to watch "Getting Ready" campaign

🇬🇧 In UK, Sephora celebrated individuality and inclusion with "My Face is a Masterpiece", a week-long in-store campaign challenging beauty norms and embracing facial differences and disabilities. Taking this commitment further, we joined forces with Face Equality International<sup>34</sup> for "#FearNoFace", a thought-provoking Halloween campaign urging people to rethink the use of scars as costumes. The message was clear: scars are not scary, and facial differences should be celebrated, not feared.



Flash the QRcode to watch "My Face is a Masterpiece" campaign

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## SEPHORA COMMITS TO THE RARE IMPACT FUND



PHOTO CREDIT: VALENTINA VEE

In 2024, Sephora continued its commitment to mental health advocacy by renewing its partnership with Selena Gomez's beauty brand, Rare Beauty, for the "Make A Rare Impact" campaign – aimed to expand access to mental health resources and education for young people worldwide through the [Rare Impact Fund](#). Sephora donated +2M€ to the Rare Impact Fund.<sup>35, 36</sup>

Material donations include charity sales to employees and unsold product donations to local NGOs. With respect to the latter, a dedicated framework has been established for Sephora Collection products ([see chapter “Sephora Green Heart” for more details](#)). In France, Sephora’s internal charity sales to employees are also organised, as well as the “Arrondi Solidaire” (client donations at checkout).

In North America, Sephora US was a pilot partner in expanding, in 2017, the “Gifts + Goods” programme by Project Glimmer, an NGO empowering girls by repurposing unsold products, packaging and samples into meaningful gifts, keeping them out of landfill. Brands are encouraged to participate, with growing engagement throughout the years. Sephora Collection contributed \$2 million in goods, helping the programme reach 500,000 people, including 86% young women of colour.

In Canada, a 2024 partnership with Brands for Canada (BFC) ensures end-of-cycle and discontinued products are diverted from landfills and re-directed to marginalised communities. Thanks to this initiative, Sephora diverted 41,005 lbs of products from landfill, contributing a total donation of **more than 2 million CAD<sup>37</sup>**.

## Interview with

**Jenni Bingham**

Chief Marketing Officer and Deputy Director,  
ProjectGlimmer.org

*“In 2024, we provided personal care products to half a million girls and young women across the US.”*

### What were the initial goals behind Project Glimmer and Sephora partnership? How has the relationship evolved over the years?

The initial goal of our partnership with Sephora was to help young women in under-resourced communities feel confident and empowered by providing them with access to beauty products they might not otherwise have. Over the years, this partnership has grown and adapted to meet the evolving needs of these girls and young women. We have expanded beyond beauty to include mentorship programmes, career development, and direct support for young women in both their personal and professional journeys.

### Can you tell us more about the “Gifts + Goods” programme?

The “Gifts + Goods” programme is our largest initiative and continues to grow year over year. In 2024, we provided personal care products to half a million girls and young women across the US, with many recipients receiving gifts multiple times a year for events like graduations, holidays, birthdays, and more. In addition to directly supporting young women, the second goal of this programme is to reduce waste by repurposing excess beauty products from Sephora and other brands.

These donations are then distributed to Project Glimmer’s community partners. The programme has had a significant impact, benefiting thousands of individuals across a wide range of communities. Through this collective effort, we have been able to reach even more young women and ensure they feel seen, valued, and supported.

### How did Sephora contribute to this?

In 2024, 60 brands sold at Sephora participated to the programme. The contributions from Sephora and its brand partners have made a lasting impact by providing girls and young women in under-resourced communities with personal care products, boosting confidence for 95% of recipients, but also joining our “Empowerment” programmes, connecting these young women to companies and inspiring role models across the beauty industry. In terms of reducing landfill waste, Sephora’s donations have helped us divert more than 1 million products from landfills. By repurposing these products and getting them to those who need them most, we have been able to make a tangible difference in both people’s lives and the environment.



# Sephora Classes for Confidence

In 2015, Sephora launched its signature social impact programme, Sephora Classes for Confidence. Through these free in-person and online beauty classes, organised in partnership with local NGOs, and led by our own Beauty Advisors and makeup masters, we aim to empower individuals facing major life transitions and challenges, such as re-entering the workforce, facing illness, or exploring their gender expression. The private setting provides a supportive environment where attendees can learn diverse makeup and beauty techniques to inspire self-confidence and fearlessness.

In 2024, the programme continued expanding by **launching new series** tailored to the ever-evolving communities we wish to support and developing new formats to maximise our impact, such as the virtual format in new markets to allow for people to join our classes.

**20** markets

hosted Sephora Classes for Confidence throughout the year

**2,382** participants (1,038 in 2023)

**+800** employees directly involved


**50** NGOs

locally collaborated with Sephora for the programme





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## NEW CLASSES AROUND THE WORLD


 In Canada, Sephora offers five class series tailored to diverse communities. In 2024, new sessions included Black History Month haircare workshops, beard care for Black men, and "Clean at Sephora" beauty techniques for women undergoing cancer treatments.




 In the US, Sephora collaborated with charity partners and INCommunities to deliver Women's History Month classes, empowering teen girls and women, and LGBTQIA+ sessions, providing skincare education for transgender and gender non-conforming individuals.



 In Brazil, the programme expanded to six stores and an online session, supporting people with disabilities, Black women, transgender women, and cancer patients.





 Paris, France introduced a gender-transition class, later expanded to other cities. France also held its first disability-focused session, combining skincare lessons and HR coaching.


 Athens, Greece hosted a beauty workshop for blind women, training staff on inclusive customer service.





  Spain and the UK adapted their sessions for people with disabilities, including a sign language class for the International Day of Sign Languages.

 Poland introduced open Pride Month classes, reaching 70 participants over 10 sessions.

 In Saudi Arabia, several sessions were organised with a focus on people with disabilities.

 Australia hosted three classes for transgender and non-binary individuals.

 Hong Kong held two mental health-focused beauty sessions.

 Singapore partnered with local schools, offering beauty classes for youths over 16.



# “Sephora Brave Spaces” and beyond for Pride Month celebrations

In 2024, we launched our first global initiative in honour of Pride Month: “Sephora Brave Spaces”, providing **safe, inclusive in-store spaces for the LGBTQIA+ community** to create their looks in a supportive atmosphere.

After a 2023 pilot in France, Spain, Portugal and Poland, the initiative expanded to **50 cities across 19 markets worldwide**, including Canada, the US, Brazil, Mexico, France, the Czech Republic, Poland, the UK, Germany, Sweden, Denmark, Switzerland, Greece, Italy, Spain, Portugal, Hong Kong, Thailand and Singapore.

We went beyond offering makeup services, providing:

- Training for Beauty Advisors to ensure a welcoming, informed, and supportive environment
- Local NGO partnerships, collaborating with LGBTQIA+ organisations to address specific community needs
- Tailored programming, such as supporting LGBTQIA+ students in Italy and hosting a roundtable on inclusivity in sports in France

**+4,200** visitors



**750** employees participated

**19** markets represented






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## VOICE TO OUR MARKETS

  In Latin America, “Sephora Brave Spaces” debuted in Brasilia and Sao Paulo (Brazil), as well as Mexico City and León (Mexico). Sephora Brazil also hosted a Talk Session on transgender inclusion in the workplace, attended by 120 employees, who received an LGBTQIA+ inclusion guide.





 A panel discussion, hosted by “SephoraPrism” and “SephorAbility” INCommunities, focused on queer disability, accessibility and intersectionality, drawing over 125 employees. A dedicated marketplace at Sephora’s San Francisco headquarters welcomed local LGBTQIA+ businesses and vendors.

  Sephora Italy extended its “We Belong to Something Beautiful” campaign into “We Belong Here”, reinforcing community and acceptance. A manifesto was displayed at 131 stores, affirming Sephora’s commitment to inclusivity. In partnership with Italy’s leading LGBTQIA+ association, Sephora launched a free virtual “Brave Space”, offering 1,000 hours of psychological support for LGBTQIA+ students. Two video campaigns featuring a renowned Italian singer addressed school safety for LGBTQIA+ students and the importance of seeking support.



 In Poland, Sephora partnered with a local NGO to create a “Sephora Brave Space” at its Złote Tarasy store in Warsaw. The space offered complimentary makeup services and hosted “Sephora Classes for Confidence”, featuring makeup workshops and quick makeup services for the parades.

  In France, the “Pride at Sephora France” ERG organised a roundtable on LGBTQIA+ inclusion in sports, featuring inspiring speakers including an Olympic fencer. The discussion addressed progress and challenges in the sports sector.





# Sephora Green Heart

Our mission is to create and advocate for the future of more sustainable beauty, alongside our community of consumers, brands and employees.

**95%** +10pts 

of the electricity in our stores, headquarters and distribution centres comes from renewable sources

**2023: 85%**

**315 kWh/m<sup>2</sup>** 

Electricity consumption in our stores

**2023: 316 kWh/m<sup>2</sup>**

**100t** 

Amount of empty products collected in stores through in-store collection points

**2023: 85t**



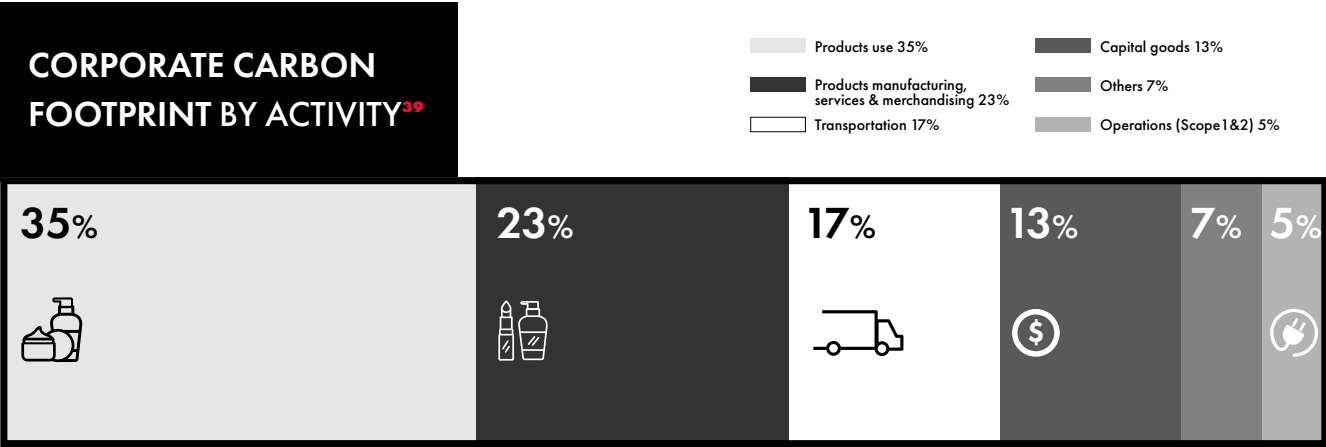
# Reduce carbon emissions

To limit negative environmental impacts and mitigate climate change, LVMH’s LIFE360 strategic programme sets measurable targets for all Maisons<sup>38</sup>. In line with this, we strengthened Sephora’s Global Green Heart Roadmap in 2024, reinforcing our commitment to four core pillars.

Strategic targets focus on reducing our global carbon footprint, promoting more sustainable beauty, reducing the impacts related to packaging and waste across our stores, offices and distribution centres, while ensuring strong employee engagement and awareness globally in all these areas. We are committed to achieving the best possible outcomes in each strategic pillar, believing that shared responsibility for positive actions should be embraced by everyone in our company.

To drive this transition across all Sephora geographies, in 2024, key investment areas included in-store collection programmes, energy-efficiency equipment and energy-performance monitoring of buildings, Renewable Energy Certificate (RECs) purchases, and operational costs associated with the launch of our global seal “Planet Aware at Sephora.”

The main contributors to Sephora’s carbon footprint come from products, specifically the Greenhouse Gas (GHG) emissions generated during manufacturing (formulation and packaging) and usage (such as the electricity consumed for electric devices). Other key emission hotspots include inbound and outbound transportation flows and the impact of capital-goods investments, such as stores opening and renovations.





# The impact of our direct operations

## Energy consumption at Sephora

Although GHG emissions from our direct operations (Scope 1 and Scope 2) account for only 5% of our total corporate carbon footprint, we are committed to reducing these impacts by implementing energy-saving solutions, such as more efficient lighting in stores and other facilities worldwide. In 2024, 95% of the electricity consumed in all Sephora sites (stores, offices and distribution centres<sup>40</sup>) was from renewable sources, including 21% from renewable energy contracts<sup>41</sup> and the remainder from purchased RECs<sup>42</sup>.

Stores consume 91% of the total electricity usage across Sephora locations. Energy-consuming hotspots in stores are typically associated with not only lighting but also A/C and heating systems, ventilation, merchandising supports, screens and other equipment. The energy profile of each store varies based on its size, design and architectural characteristics.

Key actions for Sephora to reduce its energy impact include: ensuring all stores can precisely track their consumption to inform better decision-making, driving the adoption of energy-saving behaviours, replacing conventional lighting systems with high-efficient LED lighting, upgrading HVAC systems, and ensuring all new and renovated stores align with targets oriented towards greater sustainability.

# 94%

of our stores worldwide directly track their electricity consumption<sup>43</sup>.

# 99%

of the stores worldwide now use LED lighting.



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## EXAMPLES OF ENERGY BEST PRACTICES IN STORES

### LIGHTING EFFICIENCY

The Champs Élysées flagship store incorporates the latest LED technologies and more sustainable design features to enhance energy efficiency. The number of screens has been reduced, and a large, transparent, luminous sliding door has been installed at the entrance to minimise heat loss. The store makes greater use of natural light and brighter materials to reduce the need for artificial lighting. Ceiling lights are equipped with brightness sensors that adjust intensity according to outdoor light levels, with reduced brightness in winter. All lighting spots ensure efficiency well above 100 lm/W<sup>44</sup>, with 1800-lumen spots consuming just 12W. Back panels are white to maximise brightness, and shelves feature LEDs at 5 lm/W. For brand furniture, Sephora shared guidelines with the brands to ensure maximum power of 40 lm/W, reinforcing energy efficiency across all store elements. These improvements have significantly lowered the store's electricity intensity, cutting consumption by 57%<sup>45</sup>.

### WUHAN HAN STREET STORE RECEIVES LVMH'S LIFE IN ARCHITECTURE CERTIFICATE

In 2024, Sephora China's Han Street store in Wuhan obtained the certificate from LVMH's LIFE in Architecture programme after a rigorous third-party audit by an independent agency confirmed its alignment with all company requirements. The certification process assessed the store against 50 specific criteria, covering a wide range of sustainability and environmental considerations. These included interior materials, IT materials (ENERGY STAR-certified), carbon footprint calculation related to transportation (including employee commuting), energy measurement and efficiency, water usage, lighting design, air quality and interior design (including reuse of furniture, construction waste, use of certified materials, etc.).

### STORES' FURNITURE

The market analysed some of its stores' energy consumption to understand its root causes. The highest peak was due to the furniture's electricity consumption, representing more than 50% of the overall consumption. To reduce the impact of this hotspot (both shelves and gondolas), Sephora Poland will make key changes in three stores, replacing old furniture and original bulbs (consuming 147W) with a new solution that reduces consumption by 62% (8W bulbs).

### MODIFYING HABITS

Forty stores implemented a "closed-doors" approach in 2024 to limit energy loss, despite the absence of specific national regulations on this practice. As part of its broader energy-efficiency efforts, Sephora also completed a revamping project, ensuring that all stores are now fully equipped with LED lighting. Stores lights are switched off at night, with partial illumination during pre-opening hours.

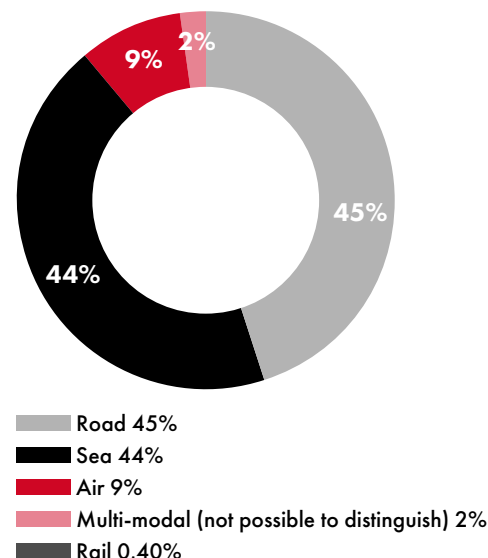


In 2024, 9% of Sephora's total inbound and outbound transportation flows are made of airfreight, mainly due to international imports (inbound transport) from the brands' warehouses to Sephora's logistic centres worldwide<sup>46</sup>.

Nearly all Sephora Collection's inbound transportation flows – covering imports from suppliers of finished and semi-finished products to Sephora Collection's warehouse in Escrennes (France) and the new CDNA warehouse<sup>47</sup> in the United States – are conducted by sea freight, accounting for 99% of shipments.

In Italy, electric and hybrid deliveries accounted for 26% of total shipments in 2024, up from 18% in the previous year. In Spain and Romania, 60% of store deliveries are now covered, including Bucharest since December 2023 and Timisoara since January 2024. In Turkey and China, the transition continues, with 65% of stores in China now using electric vehicles for last-mile deliveries (from local warehouses to stores). Singapore and Germany started similar initiatives in 2024.

Mode	Share (%)
Road	45%
Sea	44%
Air	9%
Multi-modal (not possible to distinguish)	2%
Rail	0.40%



## ELECTRIC VEHICLES FOR THE LAST MILE IN SINGAPORE

In January 2024, Sephora **Singapore** successfully completed the **go-live launch of Electric Vehicles (EVs) for all the store deliveries in the market**. And they are all Sephora-branded!



## SEPHORA EUROPE WIDENS THE SCOPE OF ITS "HOLIDAY DELIVERIES BY BOAT" PROJECT

The “Noël en bateau” (Holiday deliveries by boat) project, launched in January 2023, was originally aimed at switching from airfreight to sea freight for Holiday deliveries of four US-based brands. In 2024, its scope was expanded to three additional US-based brands as well as to replenishment orders for one of these brands. In 2025, the project will be further extended with regards to the replenishment shipments and Sephora will try to influence the choice of sea freight for those brands that directly manage their transportation flows.

# Promote more sustainable consumption



Flash the QRcode  
to discover the details  
of the seal

**Planet Aware at Sephora** introduces brands that have met specific criteria for ingredient sourcing and formulation, packaging, corporate commitments, and consumer transparency. For each pillar, criteria will guide brands by providing a pathway of best practices to move from incremental to transformational changes.

Today, 43 brands have met these criteria<sup>48</sup>.

This seal - as well as the "Clean at Sephora" seal ([for more information, see Chapter "Ensuring a beautiful tomorrow"](#)) - has been available in stores and online in North America and Europe since April 2024, with a roll-out across the Middle East, Southeast Asia and Latin America beginning in 2024.

## Interview with

**Carley Klekas**

Sephora Global Product  
Sustainability Director

**Mackenzie Milton**

Sephora US, Merchant,  
Merchandising Skincare

**Jessica Harvey**

Sephora US, Director,  
Merchandising Makeup

### Can you tell us more on Sephora's global seals?

(C.K.) Two years of work went into the globalisation of our offering for clients. We have chosen these seals to help create differentiation between ingredient restrictions and environmental commitments. This was a way for us to delineate different values and aspects of the beauty industry that the client is looking for in their shopping preferences. "Clean at Sephora" began in the US market in 2018 and has grown year over year; it became global in 2024. It has evolved and been upgraded with an increase in concerning ingredients and innovation that allows for high performing alternatives.

For "Planet Aware at Sephora" our standards are high, and brands need to meet 32 mandatory criteria across four pillars to be eligible. It is not an easy measuring stick, and we did that intentionally to use our industry influence to drive real meaningful change. Both standards were developed in partnership with an external panel of environmental experts, helping to push us forward and create criteria that drive change down the value chain.

### How do you engage with brands to encourage them to adopt more responsible practices?

(M.M.) We work closely with our brand partners and are constantly giving feedback when it comes to packaging, visual merchandising, and give-back initiatives during various touch points. It is a constant conversation between Sephora's merchants and the brands.

### What challenges do you face in promoting the two seals to brands?

(J.H.) It is difficult to meet the criteria, especially for "Planet Aware at Sephora", so it is a huge accomplishment for the brands that are able to do so. If there are brands that want to obtain the seals, we partner closely with them and help where needed. We can work together on the path forward.

### What kind of support and resources does Sephora offer to brands on sustainability?

(C.K.) In 2024 we launched the "Sephora Together for Tomorrow" series, an educational platform for our brand and merchant community to educate them on sustainability. We bring in external experts and leading brands to share the latest best practices with the audience. It has been a huge success with an average of 130 brand contacts attending each session so far. And, as always, there is more to come!

### What role does customer demand play in Sephora's commitment to more responsible beauty?

(M.M.) Customer demand plays a critical role in how we prioritise these initiatives to have the biggest impact. As an example, refills have been getting bigger for the skincare category over the last few years. By looking at sales data and client demand, we have been able to hone in on which products we need to prioritise for refillable components in order to make the largest impact in reducing materials. We then work with those brands to ideate how and when we can make it happen.

(J.H.) It is clear the client is voting both for clean and more sustainable beauty, which makes it even more encouraging to prioritise these initiatives. There is still an opportunity for brands to get the credit they deserve with regards to being Clean and/or more sustainable and for all the hard work they put into each area.

### Looking ahead, what are Sephora's goals for further promoting responsible beauty?

(C.K.) We have goals to grow these programmes year after year and continue to evolve them as needed with the ongoing evolutions around more responsible consumption. Locally, we also offer badging for "Vegan at Sephora", "Refillable at Sephora" and products that meet our "Naturality at Sephora" criteria, and we plan to continue to expand our offerings to our global community of consumers.



## A programme to engage brands for more responsible beauty

To support the transition towards greater product sustainability, a new sustainability education series – “**Sephora Together for Tomorrow**” – was launched in summer 2024.

**TOGETHER** *for* **TOMORROW**

It focuses on six key areas:

- Towards Sustainable Beauty
- Sourcing & Formulation
- Packaging & Circularity
- Sampling
- Corporate Commitments
- Consumer Transparency

Brands can participate in webinars, co-organised with sustainability and industry experts, and access a dedicated resource centre with Sephora’s guidelines on packaging and circularity, sourcing

and formulation, safer ingredients, climate, supplier responsibility, recycling instructions, sampling and more.

Additionally, Sephora is starting to work on **refillable alternatives**, where an example is the offer of a refill bulk service through “perfume fountains” in stores, in collaboration with brands. This service is available in Europe (France) and the Middle East.

Sephora also offers a selection of refillable perfume bottles from certain brands. These allow customers to purchase a refill of their favourite scent and decant it into the original bottle, reducing the impact related to buying a new perfume bottle each time.



# Rethink packaging & waste

Plastic and paper/cardboard are the most used materials at Sephora. Paper and cardboard are primarily used for e-commerce boxes and shopping bags, with a transition to recycled and certified paper<sup>49</sup> already underway. Currently, **63% of all paper and cardboard** used globally in packaging to consumers – including e-commerce boxes, internal void fill, gift boxes, kitting boxes, and warehouse/transportation cardboard purchased by Sephora – is **certified**<sup>49</sup>. This also applies to POS materials, shopping bags, office paper, printed internal communications and gift wrap.

## In-store initiatives

Sephora is committed to optimising the **end-of-life process for products** by implementing solutions for **collecting and recycling empty beauty packaging**.

Globally, 50% of our stores have implemented in-store collection schemes, including all stores in France, Canada, United States, Australia and New Zealand. In 2024, all these stores contributed to collecting approximately **100 tonnes of beauty empties**.

■ ■ The “**Good for Recycling**” programme, launched in collaboration with CEDRE in France, began in 2009 and is now released across all stores in the market, allowing the collection of all beauty products packaging. Our partner, upon receiving the collected volumes via reverse logistics, sorts and treats all the packaging according to their composition.



■ ■ In North America, Sephora partners with Pact Collective for the “**Beauty (Re) Purposed**” programme, launched in May 2023 across all US and Canada stores. As the first prestige beauty retailer to join Pact Collective, Sephora offers customers the opportunity to return clean, empty beauty and wellness packaging that cannot be recycled at home, provided it meets the programme guidelines.

Behind the scenes, Sephora follows more responsible product-disposal practices and works with specialised vendors to minimise environmental impact. Repurposed waste includes body mists and perfumes, which are drained and used in industrial wastewater treatment chemicals, while returned foundations are collected and repurposed to rehydrate recycled latex paint. Aerosol cans have their propellant captured and used as fuel, and other hard-to-recycle cosmetics are sent to waste-to-energy facilities, where they are converted into steam-generated power.

■ ■ Also in Australia and New Zealand, in collaboration with TerraCycle, in-store collection bins were rolled out to all stores in the two markets in 2023. Rewards through local loyalty programmes are foreseen for clients that recycle their empties.

Aiming to extend the reach of such initiatives, Sephora run a benchmarking analysis of the local waste-disposal frameworks across markets to assess how such schemes could be developed in compliance with local regulations.

## E-commerce initiatives

In **e-commerce**, Sephora is actively working to reduce fossil-based virgin plastics in packaging, replacing them with paper.

■ ■ In Latin America fossil-based virgin plastic is no longer used for e-commerce packaging. In Thailand we replaced plastic bubble wrap in e-commerce parcels with FSC-certified paper using FillPak, which prevents breakages and manages shocks during transport.

■ In China, void fill has been switched from silk paper and standard kraft paper to bubble kraft, resulting in an estimated 81-tonne material saving. Additionally, plastic bubble envelopes have been replaced with kraft envelopes featuring an inner honeycomb paper structure.

■ In Europe, where fossil-based virgin plastic is not used anymore for e-commerce packaging, some markets are also finding alternative solutions to paper. In Poland, Sephora uses 100% corn-based sachets to protect damage-sensitive make up products.

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### SEPHORA TAKES PART IN THE “LA BOUCLE BEAUTÉ” COALITION

The “La Boucle Beauté”, translated as “The Beauty Loop”, is a coalition of cosmetic industry players led by Circul’R and WeDon’tNeedRoads, with the technical and financial support of Citeo. Sephora became a member in 2024.

Sephora is participating in a pilot experimentation since January 2025, until 31 July 2025, across 14 stores in Paris, France. The initiative aims to evaluate consumer interest in reuse of returnable skincare packaging and assess its feasibility. The pilot focuses on skincare product ranges selected by five brands<sup>50</sup>, members of the coalition, including Sephora Collection.

Customers who finish eligible products can return them to participating stores and earn loyalty reward points<sup>51</sup>. The collected packaging is then sent to a sorting centre. Packaging suitable for washing is cleaned and then returned to the brands for internal quality control. During this testing phase, the empty packaging is not returned to circulation. Packaging that does not meet reuse criteria is set aside for recycling, while lids, pumps and caps are systematically directed to waste-recycling channels.

## MANAGING END-OF-LIFE OF POINT-OF-SALE MATERIALS (POSM)

In 2023, Sephora France launched a pilot project to minimise waste in operations. The initiative introduced a circular solution to manage the end-of-life of Sephora's visual Merchandising (POSM), including modules from our Selective brands, Sephora Collection, and transportation cardboard. The project focuses on recycling and reintegrating collected materials into our supply chain.

POSM (Point-of-Sale Materials) waste is collected in stores, reused and upcycled into unique Sephora gift boxes, modules are upcycled to make new modules, and cardboard packaging is upcycled into e-commerce boxes.

The recycling process includes separate bins in stores – one for plastic modules and POS displays, and another for raw cardboard packaging (transportation packaging).

Since September 2024, the programme is live in 304 stores in France, engaging 7 Selective brands in the initiative.

Throughout the year, **30,000 modules were collected, sorted and recycled.**



Flash the QRcode to discover how the pilot worked

## Unsold Products

Product returns, particularly in the US, along with obsolete and unsold products, pose a significant challenge. Sephora is committed to giving these unused products a second life through reuse and donations to charities ([see section "Community impact" for more details](#)).

In North America, Sephora partners with specialised vendors to divert returned, damaged or expired cosmetic products from landfills. Unused products are either donated through the "Gifts + Goods" programme — in partnership with Project Glimmer, Sephora North America's NGO partner — recycled, or converted into waste-to-energy, with none sent to landfill. In 2024, the scope of donations through the programme was

expanded to include hair devices, involving select brands in this initiative. This addition sets a best practice for repurposing beauty tools.

Sephora Collection has established a dedicated policy and procedure for donating unsold products<sup>52</sup>. Unsold products are donated throughout the year to five beneficiary associations (NGOs), approved by Sephora Collection's Executive Committee, through a formal donation agreement signed with each NGO.

Alongside charitable donations, Sephora Collection also organises internal sales for employees, further preventing waste generation from unsold products. The contributions collected through the initiative are devolved to another partner NGO.





# Engage employees

With the goal of equipping Sephora employees with the knowledge and tools to promote sustainability and contribute to the Global Green Heart Roadmap, Sephora has developed a **global awareness-raising initiative** set to take place for the first time during **Earth Month** in April 2025.

## FOCUS

Sephora's "**Beauty & Cosmetics Retail Fresk**" was co-developed by Sephora with the support of Quantis, Sephora's technical expert and trainer partner for the initiative. It is a **collaborative training tool designed to engage and educate** Sephora's teams on sustainability in the cosmetics and retail industry. This initiative targets Sephora employees with the goal of delivering key learnings: understanding the main environmental impacts of the beauty and retail value chain; recognising solutions to reduce these impacts; identifying how each employee can contribute to sustainability at Sephora; and overcoming barriers to action. Above all, it reinforces the message that everyone has the power to be an architect of change.

Employee Resource Groups (ERGs) play a crucial role in addressing employees' expectations and driving meaningful change. ERGs focused on sustainability have been launched in several markets, supported by executive sponsorship.

Their mission is to create a positive environmental impact, raise awareness on critical issues, and foster constructive dialogue, leading to tangible initiatives that drive meaningful change.

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## SEPHORA EMPLOYEES ENGAGED FOR THE PLANET AROUND THE WORLD



In our regions, ERGs gathered employees around sustainable initiatives throughout the year, with special celebrations during Earth Month. These included, among others, clean-up days for collecting waste in urban and natural context, tree-planting activities, awareness-raising conferences and training, sustainability-inspired challenges, and much more. Involved markets and regions were France, Italy, Poland, Romania, Middle East and the US. Employee participation broke every record!

# ~2,000

employees participated to ERG-led initiatives on sustainability worldwide



# Engaging the retail network on sustainability at Sephora

Another notable initiative in this direction is the creation in 2023 of a dedicated role in France for the Beauty Advisors who wants to support Sephora in its Green Heart Roadmap, which expanded to Poland, Italy, and Greece.

These employees, chosen on a voluntary basis from store employees, act as key drivers of Sephora's regional sustainability ambitions. They ensure visibility for environmental initiatives through posters, training, communication tools and practical tips, demonstrating how even small, daily actions can lead to long-term environmental impact.

Beyond promoting sustainability best practices, they serve as a bridge between the retail network and headquarters, helping identify successful store-level initiatives that can be scaled across markets. As role models for environmental good practices, they support their teams and track store performance over time.

## Interview with

### Sabine Kerrain

Sephora France, Manager for Projects Operations and in charge of inspiring and spreading the sustainability mindset to retail teams in France

#### How do you encourage Beauty Advisors to actively engage in sustainability initiatives at Sephora?

We work to value and promote what we do well, the good practices already in place, whether in the back office, on the sales floor, or through the brands. We also identify opportunities for improvement; it is important to listen to the teams. It is ideal for letting them feel like agents of change.

#### What impacts have you observed since the launch of this community dedicated to eco-gestures in stores in France?

We have a truly engaged and highly motivated community. We noted a significant decrease in our energy consumption, better education in sorting waste, and a reduction in waste. Sustainability has been integrated into the Sephora attitude in stores. Sustainability is also part of the training path now, especially for newcomers.







# *Annex*



# Methodological notes

## REPORTING PERIMETER

In line with its commitment to annually reporting on social and environmental performances, Sephora publishes the second edition of its Global Impact and Progress Report. This report represents Sephora's commitment to accountability to increase the measurability of our impact and drive our social and environmental commitments towards progress, in a coherent way with other business metrics.

The qualitative information reported in the document covers the period from 1 January 2024 to 31 March 2025; quantitative data primarily reflects 2024 (1 January 2024 – 31 December 2024) and, where possible, is compared to the previous year to ensure a clear understanding of the evolution of the Company's performances. Variations in the reporting perimeter are notified in the text and in the Report's footnotes in relation to specific initiatives or KPIs.

The scope of the Report includes Sephora's direct operations, along its value chain and across its geographies. Information related to Sephora Collection is also disclosed in a dedicated section as well as in the rest of the document.

The text boxes labelled "Zoom In" and "Focus" highlight some of the key projects and initiatives implemented throughout the year.

## MATERIALITY ANALYSIS

Sephora performed its first global materiality analysis in 2024 and published the results in the first edition of the Global Impact and Progress Report. Updates of the materiality analysis will be done in line with specific contextual or company evolutions.

Sephora's materiality assessment involved four steps:

- (1) analysing the sustainability context using external and internal sources like studies, media sentiment analysis, and internal documents;
- (2) surveying 100 Sephora Top Managers to evaluate the significance of topics and gather stakeholder viewpoints\*;
- (3) analysing survey results using a weighted average to rank topics on a scale of 0 (low) to 4 (strategic); and (4) developing a materiality matrix, validated by Sephora Leadership Team for strategic evaluation.

\*The survey's results guaranteed a good representation of the different Regions, business functions, and Sephora Collection. Stakeholders' viewpoint included the following categories: employees, customers, brands, indirect suppliers, and NGOs.

## HOW TO READ SEPHORA'S MATERIAL TOPICS



**Gender equality:** Sephora's actions towards improving gender equality and women empowerment inside the organisation (e.g., increasing the number of women holding key leadership positions at Sephora, reducing potential gender pay gaps, etc.).

**People with disabilities:** Sephora's commitment to make integration, development and retention of people with disabilities a priority in all offered positions (in stores, at headquarters, in a management role or others).

**Underrepresented communities:** Sephora's inclusion strategy also covers those communities that are not yet fully reached or represented in Sephora's workforce today, with specific attention to the peculiarities and needs of the local context across Sephora's Regions.

**Respectful working environment and employee engagement:** Sephora's commitment to a positive and respectful working environment - in line with the fundamental principles of non-discrimination, fair working conditions and employee wellbeing.

**Talent attraction, selection, and retention:** Attraction of the best talents to join Sephora worldwide, unbiased recruiting and hiring, and creation of the best conditions, opportunities, and experiences to retain employees.



**Reduce, Reuse & Recycle:** Cultivating more circular approaches from production (in partnership with brands and indirect suppliers) to consumption (educating and inspiring customers through initiatives, such as in-store collection schemes for beauty empties recycling and the use of refillable products).

**Customers' environmental awareness:** Strengthening Sephora's trusted relationship with customers through greater education and transparency on products (thanks also to the "Planet Aware at Sephora" global seal), thus motivating more sustainable purchasing habits and inspiring current and future customers thanks to Sephora's commitment for higher sustainability performances (both in products and operations).

## Other topics

**Clean products:** Sephora's commitment to offering formulas with carefully selected ingredients, in line with the "Clean at Sephora" global seal, with the aim of increasing product safety for customers and reducing environmental impacts from the use of chemical substances.

**Fundamental human and labour rights in the supply chain:** Promoting and guaranteeing respect for fundamental human and labour rights in Sephora's supply chain.

**Transparency and information availability:** Disclosing Sephora's key impacts, performances, and aspirations with reference to both Sephora Global Red Heart and Green Heart Roadmaps, all while responding to customers' needs for more visibility over products' attributes and ingredients, inspiring a more responsible beauty.

**Brand reputation:** The value recognised internally and externally of Sephora's unique characteristics, Purpose, Values, and culture.

## DATA COLLECTION

Involved business functions have participated in the collection of data for the different Regions; where these were not available, estimates have been reported based on internally validated assumptions, including part of the route distances (in t.km) needed to calculate the emissions associated with transportation. Energy consumption has been estimated for the facilities where Sephora has not yet put in place direct monitoring. The same applies for refrigerant gases in some locations. Where needed, we have estimated the corresponding values assuming that the R410a gas is generally the most used.

Sephora's global corporate carbon footprint – last updated in 2024 for the 2023 reporting year – is calculated in accordance with the GHG Protocol guidelines. Scope 2 emissions are calculated in line with the market-based approach. The calculation includes the following Scope 3 categories: 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.9, 3.11, 3.12.

Additional methodologies are detailed in the document's footnotes. Data included in the Global Impact and Progress Report have not been submitted to a third-party verification yet. It is Sephora's intention to progress on this journey, ensuring greater reliability and transparency over its impacts.

# Table of references

Roadmap	KPI	Page & comments
<b>Sephora Red Heart</b>	Employees by gender	P. 31
	Employees by age range	P. 31
	Employees by employee category	P. 31
	Executives and managers by gender	P. 31
	Employees who self-declared a disability	P. 32
	% women in GKP roles and succession plans	P. 29
	% women in Store Manager (Directors) roles	P. 31
	Employees directly engaged in ERG activities	P. 31, 34, 47
	Employees trained in DE&I topics	P. 33
	Number of attendees to Sephora Classes for Confidence	P. 37
	Financial and material donations	P. 34, 36
	Estimated number of direct beneficiaries of donations	P. 35, 36
<b>Sephora Green Heart</b>	Electricity intensity	P. 39
	% of stores equipped with metering solutions	P. 41
	% of full LED stores	P. 41
	Scope 1 GHG emissions	P. 40, 41
	Scope 2 GHG emissions	P. 40, 41
	Scope 3 GHG emissions	P. 40, 42
	% recycled raw materials	P. 26
	Certified raw materials	P. 26, 45
	% of stores with collection schemes for beauty empties	P. 45
	Weight of collected beauty empties through in-store collection schemes	P. 45
	POSM recycled via specific programmes	P. 46
	Replacement of virgin plastic from fossil fuel sources in e-commerce packaging	P. 45

Roadmap	KPI	Page & comments
<b>Other topics</b>	Governance	Sephora's governance model emphasises Purpose as a core element, managed through central strategic alignment and regional leadership for goals implementation. The Global Chief Purpose Officer reports to Sephora's President and CEO and works with the Global Purpose team to actualise Sephora's Purpose and related global roadmaps. «Purpose Champions» have been nominated in each Region to lead the regional implementation of the social and environmental strategies. They are also supported by regional task forces and committees overseeing market-level projects and initiatives.
	Anticorruption	Anti-Corruption Charter adopted by LVMH, providing practical examples to help employees understand potentially critical situations. Partners and suppliers shall comply to the Group's rules as expressed in the Suppliers' Code of Conduct. Sephora's new Anti-Corruption Code of Conduct identifies our commitments in the fight against corruption and contributes to the dissemination of our culture of integrity across all of our activities and geographic areas.
	Privacy	In the EME Region, in line with the EU GDPR legislation, Sephora has appointed a Data Privacy Officer (DPO) with responsibility for Global data protection, ensuring compliance with the regulatory framework and helping the company minimise risks and avoid financial penalties. To coordinate this compliance, our DPO relies on a network of Personal Data Protection Correspondents, whose mission is to ensure the implementation of the compliance programme at local level.
	Usage of Artificial Intelligence (AI) and Generative Artificial Intelligence (Gen AI)	As the leading Prestige beauty retail brand, for Sephora it is important to embrace innovation. However, it is equally important that we do so with a strong sense of responsibility and adherence to established principles and limitations. In line with LVMH policies and guidelines, Sephora and its employees commit to ensure the ethical and responsible use of AI within the organisation. This is meant to safeguard privacy, maintain transparency, protect our data and intellectual property, and ensure that our AI initiatives are aligned with our social responsibility and environmental commitments.

# Footnotes

## Chapter “Leading with Purpose”

**1** 35 markets as of 31 December 2024.

**2** Among +3,200 Points of Sales, 2,176 stores – free standing, galleria, outlet, pop-up, and shop-in-shop stores – are open between 1 January and 31 December, 2024: and therefore included in the reporting perimeter.

**3** The Novi Connect Platform lists compliant alternatives as “ChemFORWARD SAFER.”

**4** For more information on the initiative and on Sephora’s stores participating to the test please consult the following link: <https://labouclebeaute.com/>

**5** Cèdre is LVMH’s sorting and recycling partner used by multiple Maisons to recycle and reuse different types of waste. These include obsolete packaging, merchandising materials, in-store testers, as well as empty beauty packaging returned to stores by customers.

**6** From the purchase of Renewable Energy Certificates – RECs (from wind energy).

**7** Employees included in the scope of this target are all employees on open-ended, fixed term, NGH (Contract Hours Not Guaranteed), full-time and part-time contracts, with at least one year seniority at Sephora.

**8** This strategic objective is referred to 7 usage categories of cardboard and paper: e-commerce packaging reaching the final customer, gift boxes, Point of Sale Materials (POSM), shopping bags, printed POSM supports, office paper and printed internal communication, gift wraps. FSC/PEFC/SFI (only for North America) certified.

**9** Including waste to energy.

**10** Group Key Positions (GKPs) represented by top executive roles responsible for driving the Maison’s strategic direction, overseeing key functions, and leading various divisions.

**11** For the methodological notes on the analysis, [please consult the Annex to this Report](#).

**12** Some examples: the US MoCRA (Modernisation of Cosmetics Regulations Act of 2022) introducing a ban; the EU Packaging and Packaging Waste Directive (EU PPWD) defining quotas; and the EU Eco-design for Sustainable Products regulation that will introduce broader eco-design principles and framework for improved product circular attributes, not exclusively including reusability, durability, and recycled content, and a new transparency requirement via the implementation of a digital product passport.

**13** New regulatory developments include the EU CSDDD and the US MoCRA. In Asia, the CIQ expiration date legislation already regulates product transparency.

**14** The Paris Agreement has been reached on December 2015, during the UN Climate Change Conference (COP21) held in Paris. The Agreement has been joined by 195 countries that commit to reduce the generation of GHG emissions and implement actions to adapt to the effects of climate change.

**15** Findings from “The New Nature Economy Report”, 2020, by the World Economic Forum in collaboration with PwC.

**16** Air to Everything Ratio (AERO) is calculated as the ratio between volume transported by air (in ton-kilometers, t\*km) and the total volume transported across all modes of transport (in ton-kilometers, t\*km).

**17** The calculation overestimated the t.km by airfreight in some Regions.

**18** The analysis will be updated every two years or depending on the contingencies that may bring to a strong evolution in the overall sustainability context therefore requiring to increase the frequency of update of the analysis.

## Chapter “Ensuring a beautiful tomorrow”

**19** The Policy (published for the first time in 2019 and updated in 2023) is available at the following link:

<https://www.inside-sephora.com/en/usa/sustainability>

**20** See section “Committed beauty.”

**21** Imen JERBI AZAIEZ, Co-Founder & R&D Director 4-5-6 Skin (Ethnicity & cosmetics, ingredients); Gayatri KESKAR, Cross-Industry Research (Material Science, Product Development); Peyton Laine, Founder and CEO, Mind the Chain, (Environmental Chemist, Cradle to Cradle, Circularity); Mark DORFMAN, Lead Chemistry at Biomimicry 3.8 (Chemistry, Biomimicry, Packaging); Line GAUMET, Founder, Sourcea Consulting, (Sustainable Operations, EcoDesign, Climate).

**22** All the details about the score received by Sephora US are available at the following link: <https://toxicfreefuture.org/retailer-report-card/2024/retailer/sephora/>

**23** For more information on Toxic-Free Future please refer to this link: <https://toxicfreefuture.org/mission/>

**24** 156 “Clean at Sephora” brands as of April 2025.

**25** The Code was first published in 2008, with the most recent update done in 2024. The Code is accessible at the following link: <https://www.lvmh.com/en/ethics-and-compliance/lvmh-supplier-code-of-conduct>

**26** Companies that are evaluated through the EcoVadis questionnaire receive a globally recognised rating based on a detailed assessment of their sustainability (environmental, social and ethical) performances.

**27** The SA8000 international standard assesses the social performance of companies in the following areas, providing a holistic framework for the fair treatment of workers: child labor, forced or compulsory labor, health and safety, freedom of association and right to collective bargaining, discrimination, disciplinary practices, working hours, remuneration, and management system.

**28** As defined at Group level.

**29** Based on the produced quantity of the “Cream Lip Stain” lipstick from Sephora Collection, from 1 January 2023, to 31 December 2023.

**30** PCR plastics requires a lower amount of energy for its production and recycling, compared to virgin fossil fuel plastics.



## Chapter “Sephora Red Heart”

**31** Including financial and product donations from our employees, our clients, and Sephora.

**32** This achievement was made possible through the combined monetary and product donations from our employees, our clients, and from Sephora.

**33** Pangea ETS is an Italian NGO dedicated to listening, welcoming and accompanying women experiencing discrimination and violence.

**34** Face Equality International is an alliance of Non-Governmental Organisations (NGOs), charities and support groups working on face difference or disfigurement to be recognised as an independent equality and human rights issue. Face Equality International is one of Sephora UK’s Charity Partners. Through Sephora UK loyalty programme, clients can decide to donate to the charity when they earn 100 loyalty points. Each time a client decides to donate the earned rewards, Sephora UK matches this donation to the charity partner.

**35** Up to EUR 200,000 in value across Southeast Asia, Oceania and India, from Sephora as a commercial entity; and 50.000 HK dollars in Hong-Kong.

**36** Including Australia, Brazil, Bulgaria, Canada, Czech Republic, Denmark, France, Germany, Greece, Hong Kong SAR, India, Indonesia, Italy, Mexico, New Zealand, Philippines, Poland, Portugal, Romania, Serbia, Singapore, Spain, Sweden, Switzerland, Thailand, the United Kingdom and the United States.

**37** Out of the total donation, 914,414 CAD were Sephora-owned products, and 1,370,639 CAD were brand-owned products.

## Chapter “Sephora Green Heart”

**38** More information is available at the following link: <https://www.lvmh.com/fr/l-engagement-en-action/pour-l-environnement/life-360-lvmh>

**39** Sephora is currently updating its Global Corporate Carbon Footprint assessment for 2024. Results will be available after the publication of this Report and for this reason will be communicated in the 2025 edition.

**40** Where Sephora has a direct operational control.

**41** Renewable energy contracts are subscribed for France (energy source is 51% wind, 47% hydropower, and 2% other biomass), Italy (energy source is 4% solar, 61% hydropower, and 35% other biomass), Poland (energy source

is 100% solar), Spain (energy source is 100% hydropower), and UK (energy source is unknown).

**42** RECs are purchased in Bulgaria (energy source is hydropower), Czech Republic (energy source is wind), Germany (energy source is hydropower), Greece (energy source is solar), Luxembourg (energy source is hydropower), Monaco (energy source is hydropower), Portugal (energy source is hydropower), Serbia (energy source is wind), Switzerland (energy source is hydropower), Turkey (energy source is hydropower), Bahrain (energy source is solar), Kuwait (energy source is solar), Qatar (energy source is solar), Saudi Arabia (energy source is solar), United Arab Emirates (energy source is solar), United States (energy source is wind), Canada (energy source is wind), Brazil (energy source is solar), Mexico (energy source is solar), China (energy source is hydropower), Hong Kong (energy source is hydropower), Australia (energy source is hydropower), Malaysia (energy source is hydropower), New Zealand (energy source is solar), Singapore (energy source is hydropower), and Thailand (energy source is wind).

**43** Either through energy bills or dedicated metering systems capable of analysing electricity consumption sources.

**44** Measure of light equipment efficiency.

**45** The reduction was calculated with respect to the consumption in the period 27 May 2022 – 19 June 2022 (before the store’s renovation) compared to the period 27 May 2024 – 19 June 2024 (after renovation).

**46** Actual data from January to October 2024; November and December 2024 are estimated based on projections (where available) or on the same months volumes from 2023.

**47** Opened in 2024.

**48** 43 “Planet Aware at Sephora” brands as of April 2025.

**49** FSC, PEFC, or SFI certified paper.

**50** Partner brands: CHANEL, CLARINS, CLINIQUE, LANCÔME, SEPHORA COLLECTION. The first four brands are also available at the Nocibé stores participating in the initiative. Eligible products at Sephora:

- CHANEL: Creams in jars, fluids, serums, masks from the Le Lift & Le Lift Pro lines.
- CLARINS: Hydra Essentiel range (excluding tubes); 50ml cream jars from the My Clarins range.
- CLINIQUE: Moisture Surge range, cream jars of 30ml, 50ml, 75ml; Take The Day Off range.
- LANCÔME: Cream jars from the

Génifique, Hydra Zen, and Rénergie ranges.

• SEPHORA COLLECTION: Glass bottles, all facial care serums, and two hair care products (Fortifying Hair Serum – 50ml; Protective Hair Oil – 50ml).

**51** Offer reserved for customers holding a loyalty card. Offer valid from 14 January 2025, to 31 July 2025, inclusive, in the following Sephora stores: Coulommier, Val de Fontenay, Noisy Le Grand, Paris Avenue de France, Paris Bercy Village, Paris Faubourg Saint-Antoine, Paris Gare de Lyon, Paris Italie 2, Paris Saint Michel, Paris Saint-Germain, Pontault Combault, Val d’Europe, Vincennes, Torcy. For each returned primary packaging (packaging in direct contact with the product, excluding cardboard packaging) and product purchased, 50 loyalty points will be credited to the customer’s loyalty card.

**52** For products with a Remaining Shelf Life above 3 months.

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