2020 Sustainability Commitments

Through the 2020 Sustainability Commitments, Amorepacific Group seeks to help its stakeholders realize “sustainable lifestyle” in their everyday lives, achieve “inclusive growth” with economic and social communities, and contribute to the “circular economy” for future generations.

The 2020 Sustainability Commitments are closely linked to 2030 Sustainable Development Goals (SDGs), adopted by the United Nations General Assembly in 2015. Through the efforts to execute its 2020 Sustainability Commitments, Amorepacific Group seeks to help in the rising global issues and endeavor to create a more beautiful world.

**Sustainable Lifestyle**

All stakeholders involved in Amorepacific Group’s corporate activities are invited to understand environmental and social values better and make a transition to “sustainable lifestyle.” Products and stores will incorporate environmental and social considerations. Various brand campaigns will propose a sustainable everyday life.

1. Incorporate at least one benefit for the environment or society into more than 40 percent of new products.
2. Integrate environmental and social considerations into the design and operation of stores and disclose improvements.
3. Provide customers opportunities to participate in value consumption and enhance awareness of environmentally and socially sustainable lifestyles.

**Inclusive Growth**

Amorepacific Group realizes inclusive growth by creating a great working environment for employees, supporting business partners, and enhancing women’s health, well-being, and economic capabilities.

4. Create a great place to work by improving employees’ health and welfare.
5. Contribute to inclusive growth by supporting the growth and development of business partners.
6. ‘20 by 20’ commitment support the health, well-being, and economic capabilities of 200,000 women.

**Circular Economy**

To preserve the nature and ecosystem for the future generations, Amorepacific Group seeks to reduce the greenhouse gas emission and become carbon-free by 2030. Resources will be used more efficiently in the process of production, consumption, and recirculation.

7. Reduce the CO₂ emissions by 30 percent per tonne of production from a 2015 baseline.
8. Improve the efficiency of the water resource and packaging materials by promoting reuse and recycle.

**SDGs**

- **5** Gender Equality
  - 5.5 Women’s Health and Well-being
  - 5.6 Women’s Economic Empowerment
- **12** Responsible Consumption and Production
  - 12.2 More Sustainable Products
  - 12.5 GREENCYCLE Campaign
  - 12.8 Promoting Sustainable Lifestyle through the magazine <Beauty Inside>
Sustainable Lifestyle

1. Incorporate environmentally or socially friendly elements into new products
   - 2018 Targets: 36.5%
   - 2019 Targets: 39.5%

2. Applying sustainable packaging materials
   - ARITAUM uses sustainable materials for its store packages
     - Usage rate: 28%
   - innisfree uses sustainable materials for its store promotion materials
     - Sustainable print papers: citrus paper, recycled paper
     - Sustainable materials for store VMDs

3. Providing opportunities for value consumption
   - Sulwhasoo: Beauty from Your Culture
     - Held campaign in 5 countries
       - Thailand, Indonesia, Singapore, Malaysia, China
   - LANEIGE: Hold Refill Me Campaign
     - Held Refill Me Campaign in 9 countries and donated KRW 66 million of sales proceeds
   - innisfree: Hold Play Green Campaign
     - Held Play Green Campaign 8 times in 3 countries
       - Korea x 1 time
       - China x 2 times
       - Malaysia x 2 times
   - primera: Attract 45,000 participants to Love the earth online campaign
     - 77,000 customers participated in Love the earth online campaign
   - Mamonde: Installed the third Honeybee Garden
     - Installed the third Honeybee Garden at Seoul Museum of Art

Inclusive Growth

4. Create a great place to work
   - Enhance leadership capabilities of women leaders
     - Women leadership development mentoring
       - 4 executive mentors for 8 mentees
     - Women in managing positions: 29%
   - Promote diversity of employees
     - Local employees in overseas branches: 36.3%
   - Enhance employees' job satisfaction
     - Employee engagement: 48.21%

5. Increase the percentage of suppliers that meet the 'good performance' sustainability target
   - 70%

6. Implement the Good Jobs Strategy for beauty partners
   - Provide career development opportunities
     - Mini sessions for stress relief during regular education programs
   - Enhance job satisfaction of beauty partners

Circular Economy

7. Reduce CO2 emissions per tonne of production
   - 2018 Targets: 10.6% increase
     - 45.0% reduction in overseas branches
   - 2019 Targets: 1.4% reduction

8. Reduce water use per tonne of production
   - 15% reduction in Korea and 36% in Mainland China
   - 8% reduction in Mainland China

1) Compared to 2015
2) Greenhouse gas emissions increased due to the expansion of the Daejeon Daily Beauty and the Shanghai Beauty campus in China.