

Reducing our environmental impact and use of natural resources

When it comes to environmental performance, L'Oréal aims for excellence. More than 20 years ago, the group set the goal of reducing its environmental impact by encouraging eco-efficiency and by limiting the absolute level of its emissions wherever possible. L'Oréal is also committed to providing safe working conditions for all its employees.

Global warming

In 2008, L'Oréal signed the Bali agreement on global warming and conducted a series of studies on all its CO₂ emissions, enabling it to achieve significant reductions: emissions were cut by 3.3%⁽¹⁾ per finished product, and overall by 6.6%⁽¹⁾ in 2008. Measures were also taken to limit travel by employees, encourage environmentally friendly modes of transport for essential journeys, and optimise logistics.

The Mexico City (Mexico) distribution centre has cut its electricity consumption per finished product by 30%, a reduction equivalent to 54 tonnes of CO₂ emissions, by installing 1,000sq.m of solar panels, which now enable the recharging of the batteries of all its forklift trucks. By introducing solar panels and a biomass power station for the heating of the building, the Burgos plant (Spain) has also managed to reduce the quantity of CO₂ emitted by 332 tonnes, or 8% of the plant's emissions.



Energy

L'Oréal has introduced a proactive programme designed to boost the efficiency of its energy consumption, limit CO₂ emissions into the atmosphere, and make substantial savings in operating costs. The measures taken include: the use of alternative energy and non-polluting energy sources such as solar heating of water, the installation of high-performance lighting, the purchase of more efficient boilers, and the optimisation of compressor systems. Most of the group's office buildings around the world are now fitted with proximity sensors which switch off lights automatically when an office or conference room is empty. Between 2003 and 2008, these efforts led to energy savings of 17% per finished or handled product, with an overall reduction of 1.7% in energy consumption for 18.4% growth in production.

The Libramont plant (Belgium) has reduced its energy consumption ratio by 9.8% compared with 2007. The sharp reduction was achieved by a number of measures: improving insulation, changing bleed-taps, installing new lighting, recovering 80% of compressor power which is then used to heat the premises, and reducing compressed air consumption in the packaging equipment.



⁽¹⁾ Including both direct CO₂ emissions from on-site fossil fuel use (scope 1) and indirect CO₂ emissions from electricity use (scope 2).

Water

L'Oréal is striving to achieve greater eco-efficiency by evaluating its water consumption. With this goal in mind, industrial plants are implementing a range of measures: sterilising with steam rather than hot water, recycling some wash water from the manufacturing tanks, using rainwater for gardens and green areas, and constantly raising employee awareness. As a result of these efforts, water consumption was reduced by 3.8% per finished manufactured product in 2008.

The Rambouillet plant (France) has reduced water consumption by 10% per finished product. This achievement reflects an approach that was initiated several years ago. In 2006, the plant set up a water consumption mapping system: eight meters enable the monitoring and analysis of the plant's water consumption. Twenty-nine of the 48 projects planned to cut water consumption have already been carried out.



Waste

The programmes introduced by L'Oréal to cut waste cover not only packaging used by the group's suppliers but also packaging which ends up with its retailers and customers. Nearly half the production and distribution sites have achieved the zero landfill target, and aggregate recycling, energy recovery and re-use rates have now reached around 95% worldwide. In 2008, total transportable waste (apart from returnable packaging) was lowered by 0.5% per finished product.

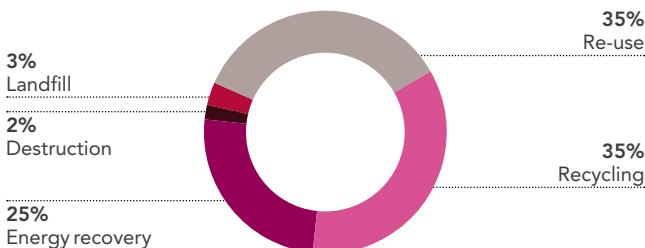
The plant in São Paulo (Brazil) reduced its transportable waste by 19% per finished product compared to 2007. This was achieved by systematically using long-life returnable containers with packaging item suppliers.



Safety, Health and Environment indicators

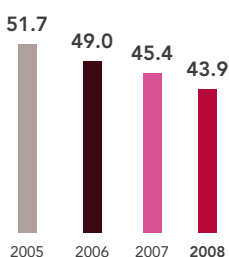
WASTE BY DISPOSAL METHOD IN 2008

(group factories and distribution centres)



TOTAL CO₂ EMISSIONS IN GRAMS PER FINISHED PRODUCT

(group factories and distribution centres)



CHANGE IN ENVIRONMENTAL INDICATORS

(group factories and distribution centres)

	2007	2008	Change
(In thousands of cubic metres)			
Water consumption	3,145	2,915	-7.3%
(In millions of kWh)			
Energy consumption	814.6	785.5	-3.6%
(In %)			
Waste recovery index	95%	95%	-

NUMBER OF ACCIDENTS RESULTING IN SICK LEAVE

per million hours worked for L'Oréal personnel

(group factories and distribution centres)

