

L'Oréal committed to a low-carbon economy

Clichy, 20 May 2015 – During the global Business & Climate Summit in Paris, business and government leaders are meeting to demonstrate their commitment to deploy low-carbon solutions and tackle the risks of climate change.

For **Jean-Paul Agon, Chairman and CEO of L'Oréal**, "L'Oréal is committed to being a significant contributor to a low-carbon economy, demonstrating that performance and responsibility can go hand in hand. We work to do our part for the limitation of global warming at 2° C, having already reduced by 50.2% in absolute terms the CO₂ emissions of our operations between 2005 and 2014 while increasing our production by 22% over the same period."

With 43 plants and 153 distribution centres around the world, L'Oréal produces 6.3 billion cosmetic units per year. The company set the objective of reducing CO_2 emissions at its plants and distribution centres by 50% in absolute terms, between 2005 and 2015. This goal was reached in 2014 while production volumes increased by 22%. Importantly, 5 plants, Burgos in Spain, Libramont in Belgium, Rambouillet in France, Settimo in Italy, Yichang in China, as well as 3 distribution centres in Australia, Mexico and the United States have already reached carbon footprint neutrality, or will do so in 2015.

Reduce energy consumption

To decrease energy consumption, all new L'Oréal buildings must respect the most cutting-edge sustainable building standards such as LEED, HQE, BREEAM. Existing sites, however, have been improving their energy efficiency for more than 20 years. Dedicated efforts including redefining processes, LED installation, building insulation, heat recovery, improved overall production efficiency have reduced the kWh per finished product consumption of plants and distribution centres by 30% between 2005 and 2014.

Reduce emissions from transportation

To supplement the efforts of its production sites, L'Oréal has committed to reducing CO_2 emissions from transportation of finished products, from its plants to its customers. The goal is a 20% decrease per finished product and per kilometer between 2011 and 2020. The Group is relying on two levers to achieve this: integrating low-emission transport options as soon as possible and developing and implementing optimised transport plans.

Expand the use of renewable energy

L'Oréal firmly believes that increasing the use of renewable energy is one of the principle levers for reaching its target for reduced CO_2 emissions. To this end, major projects are underway in several sites. Innovative installations and technologies have significantly reduced CO_2 emissions: a biomass plant and cogeneration systems in Belgium, trigeneration in Spain, heat networks in Germany and Italy, and photovoltaic power in China, the United States, and Spain.

About Sharing Beauty With All

L'Oréal's "Sharing Beauty With All" sustainability program announced by Jean-Paul Agon in October 2013 sets out four strategic commitments:

- innovation, so that 100% of L'Oréal products have an environmental or social improvement;
- production, to reduce greenhouse gas emissions in absolute terms, water consumption and waste per finished product by 60%;
- consumption, raise consumers' awareness of the environmental and social impacts of their consumption;
- developing sustainably to share growth to benefit collaborators, suppliers and communities around us.

For more information, the 2014 Sharing Beauty With All Progress Report can be seen here: <u>http://www.sharingbeautywithall.com/en</u>

About L'Oréal

L'Oréal has devoted itself to beauty for over 105 years. With its unique portfolio of 32 international, diverse and complementary brands, the Group generated sales amounting to 22.5 billion euros in 2014 and employs 78,600 people worldwide. As the world's leading beauty company, L'Oréal is present across all distribution networks: mass market, department stores, pharmacies and drugstores, hair styling salons, travel retail and branded retail.

Research and innovation, and a dedicated research team of 3,700 people, are at the core of L'Oréal's strategy, working to meet beauty aspirations all over the world and attract one billion new consumers in the years to come. L'Oréal's new sustainability commitment for 2020 "Sharing beauty with all" sets out ambitious sustainable development objectives across the Group's value chain. <u>www.loreal.com</u>

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