

# L'ORÉAL

## L'Oréal announces its new sustainability commitment for 2020 "Sharing Beauty With All"

**Clichy, 23 October 2013** – Jean-Paul Agon, Chairman and CEO of L'Oréal, announced today the new commitment L'Oréal has made to transform by 2020 the sustainability footprint of the company while achieving its business ambition.

### **Achieving growth sustainably**

L'Oréal's ambition is to win 1 billion new consumers by means of its universalization strategy which aims to answer all the diverse beauty needs of men and women around the world. Part of the Group's growth strategy is its commitment to produce more but with less impact and to engage consumers, who are at the heart of its business, to make sustainable choices by offering them products that are both sustainable and desirable. In order to achieve this, L'Oréal commits to improving every part of its value chain, from research to operations, while sharing its growth with the communities it touches through **"Sharing Beauty With All"**.

Jean-Paul Agon, said: *"L'Oréal has a strong legacy in sustainability and a thorough ambition for the future. We are proud to announce **"Sharing Beauty With All"**, our sustainability commitment for 2020. We believe consumers are at the heart of our sustainability drive and we want to reach the next billion consumers while making a positive impact on the world. By accelerating sustainable innovation within our business, and harnessing the power of our brands to inform consumers, we will raise awareness about sustainability and encourage consumers to make more sustainable choices."*

These commitments are the result of 2 years of exchange with various stakeholders throughout the world. L'Oréal will report regularly on its progress against each goal with the help of a panel of independent assessors, chaired by José Maria Figueres, an authority in the world of sustainability, and consisting of international experts\*.

**« Sharing Beauty With All » : is a commitment in four areas :**

### **1. Innovating sustainably - By 2020, we will innovate so that 100% of products have an environmental or social benefit.**

Every time we invent or update a product, we will improve its environmental or social profile against at least one of the following criteria:

The new formula reduces the environmental footprint

The new formula uses renewable raw materials that are sustainably sourced or raw materials derived from green chemistry.

The new packaging has an improved environmental profile.

The new product has a positive social impact.

**2. Producing sustainably - By 2020, we will reduce our environmental footprint by 60 % whilst bringing beauty to one billion new consumers.**

We will reduce CO2 emissions at our plants and distribution centers by 60 % in absolute terms, from a 2005 baseline.

We will reduce our water consumption by 60% per finished product unit, from a 2005 baseline.

We will reduce waste by 60% per finished product unit, from a 2005 baseline.

We will send zero waste to landfill.

We will reduce our CO2 emissions from transportation of products by 20 % per finished product unit from a 2011baseline.

**3. Living sustainably - By 2020, we will empower every L'Oréal consumer to make sustainable consumption choices while enhancing the beauty of the planet.**

We will use a product assessment tool to evaluate the environmental and social profile of 100% of new products and all brands will make this information available to allow consumers to make sustainable lifestyle choices.

All L'Oréal brands will assess where they have the biggest environmental and social impact, and

make commitments to improve their footprint. Every brand will report on its progress and raise awareness among consumers about sustainable lifestyle choices.

Our consumers will be able to influence our sustainability actions through our consumer sustainability panel.

#### **4. Developing sustainably**

##### **a. Employees: By 2020, L'Oréal employees will have access to health care, social protection and training, wherever they are in the world.**

We will provide health coverage for employees, which is aligned with the best practice of the country they are based in.

We will provide financial protection for all employees if unexpected life events such as incapacity or permanent disability, occur.

Every L'Oréal employee will have access to at least one training per year wherever they are in the world.

##### **b. Suppliers: By 2020, 100% of our strategic suppliers will be participating in our supplier sustainability program.**

All strategic suppliers will be evaluated and selected on social and environmental performance.

All strategic suppliers will have completed a self-assessment of their sustainability policy with our support.

All suppliers will have access to L'Oréal training tools to improve their sustainability policies.

20% of strategic suppliers will be associated with our solidarity sourcing program.

**c. Communities: By 2020, we will enable more than 100,000 people from underprivileged communities, equivalent to the size of our global workforce, to access work.**

We will achieve our goal through programmes in the following areas:

Solidarity sourcing

Inclusive distribution

Beauty professionalization

Mentoring and community education

Employment of disabled people and under-represented socio-ethnic groups

**\* Our panel of international experts:**

Sze Ping, Chinese environmentalist, former Greenpeace activist, Executive Director of Greenovation Hub.

Mehjabeen Abidi-Habib, Pakistani researcher in human ecology, specialist of natural resources management.

HRH Celenhle Dlamini, South African, one of the Directors of Ubuntu Institute working on the achievement of the UN Millennium Development Goals.

Zem Joaquin, American, eco-luxury specialist and founder of « eco-fabulous » website aiming to make sustainability desirable.

Analisa Balares, American, Founder and CEO of Womensphere™, developing media tools, online communities, and an award to inspire and support women willing to make a difference.

Christian de Boisredon, French, promoting the concept of “impact journalism” through Sparknews, in order to give visibility to positive initiatives throughout the world.

**To know more about “Sharing Beauty With All” and L’Oréal’s past achievements in sustainability :** [www.loreal.com/sharingbeautywithall](http://www.loreal.com/sharingbeautywithall)

### **About L’Oréal**

*L’Oréal, the world’s leading beauty company, has devoted itself to all forms of beauty in the world for over 100 years and has built a unique portfolio of 28 international, diverse and complementary brands. With sales amounting to 22.5 billion euros in 2012, L’Oréal employs 72,600 people worldwide. In 2013, the Ethisphere Institute, a leading international think-tank for business ethics, corporate social responsibility and sustainability, recognized L’Oréal as one of the World’s Most Ethical Companies. This is the fourth time that L’Oréal has received this distinction.* [www.loreal.com](http://www.loreal.com)

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## About L'Oréal

L'Oréal has devoted itself to beauty for over 100 years. With its unique international portfolio of 34 diverse and complementary brands, the Group generated sales amounting to 25.8 billion euros in 2016 and employs 89,300 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 salons, travel retail, branded retail and e-commerce.

Research and innovation, and a dedicated research team of 3,870 people, are at the core of L'Oréal's strategy, working to meet beauty aspirations all over the world. L'Oréal's sustainability commitment for 2020 "Sharing Beauty With All" sets out ambitious sustainable development objectives across the Group's value chain. [www.loreal.com](http://www.loreal.com)

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*"This news release does not constitute an offer to sell, or a solicitation of an offer to buy L'Oréal shares. If you wish to obtain more comprehensive information about L'Oréal, please refer to the public documents registered in France with the Autorité des Marchés Financiers, also available in English on our Internet site [www.loreal-finance.com](http://www.loreal-finance.com).*

*This news release may contain some forward-looking statements. Although the Company considers that these statements are based on reasonable hypotheses at the date of publication of this release, they are by their nature subject to risks and uncertainties which could cause actual results to differ materially from those indicated or projected in these statements."*

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