

# L'ORÉAL

## L'Oréal EU Green Consumption Pledge

Monday 25<sup>th</sup> January 2021

Since 2013, L'Oréal has undergone an in-depth transformation to reduce our impact across our entire value chain. We have completely reinvented the way we design and make our products, systematically integrating sustainability. Today, all the products we put on the market have an improved environmental or social footprint. We have proven that it is possible to decouple growth from our environmental footprint.

However, as environmental and social concerns grow, we know that this is no longer enough. We need to step up and implement a radical transformation in line with the only possible scenario for humanity: respecting planetary boundaries across the entire lifecycle of our products.

We believe it is our responsibility to take into account more than just our direct impact. We must help our 1.5 billion consumers limit their impact when using our products and encourage them to make more sustainable consumption choices. We want to keep rallying our suppliers and clients in the sustainability transition, co-creating disruptive solutions that benefit consumers and have a more limited impact on the planet. Only together can we achieve real impact.

Today, we stand with the European Commission and make the following commitments:

1. L'Oréal commits to achieve carbon neutrality for all its operated sites worldwide by 2025. This covers Scope 1 & 2 – factories, distribution centers, administrative sites and research centers. This will be achieved through energy efficiency and 100% renewable supply, promoting first the production and consumption onsite (e.g. rooftop solar PV panels), the implementation of local Power Purchase Agreements, and by sourcing renewable energy certificates from assets located in the same country, and less than 500kms from the sites. We set intermediate milestones at 80% in 2021 and 90% in 2023.
2. We pledge to continue the efforts started in 2013, reducing the environmental footprint of new and renovated<sup>1</sup> products compared to a 2019 baseline. We will start with the shampoo category in 2021 and will share progress on an annual basis. We will use the EU PEF methodology as the basis for our methodology.
3. We pledge to expand the scope of the footprint reduction commitments of our new products by one category at least every year.<sup>2</sup>
4. We pledge to share the environmental impact of our products on our websites.<sup>3</sup> An example can be found on [garnier.fr](https://www.garnier.fr).<sup>4</sup> Every year and until 2030, more brands will share informative content allowing consumers to better understand how they can make sustainable consumption choices and use products in a more sustainable manner.
5. Finally, we commit to reporting on our progress in our yearly "L'Oréal for the Future" report<sup>5</sup> available on [loreal.com](https://www.loreal.com).



Jean-Paul Agon, Chairman and Chief Executive Officer of L'Oréal

<sup>1</sup> Out of scope: products outsourced to suppliers and recent acquisitions. New products will be compared to the 2019 product category baseline. If an existing product is renovated, it will be compared to the pre-renovated product. Products with an « A » score prior to renovation are out of scope.

<sup>2</sup> Category definition : <https://www.loreal.com/en/articles/our-methodology/>

<sup>3</sup> <https://www.garnier.fr/nos-engagements/impact-environnemental-et-social>

<sup>4</sup> <https://www.garnier.fr/nos-marques/cheveux/ultra-doux/gingembre-de-vie/shampooing-nourissant>

<sup>5</sup> Audited by PWC (Non-Financial Audit). Product Impact data audited by Bureau Veritas in line with EMAS