

L'Oréal Greenhouse Gas (GHG) emissions 2014

Since 2007 the Group has produced a GHG Balance for all its activities. This Carbon Balance is drawn up according to the internationally accepted rules of the GHG Protocol.

In 2015, the Group updated its carbon footprint calculation for 2014 activity. The study shows that the highest impact in terms of GHG emissions occurs during the phase of consumer use, which involves the use of hot water. This represents 53% of the total emissions linked to the Group activity.

Direct GHG emissions (scope 1)

L'Oréal's direct GHG emissions arise from the gas and fuel oil consumption of all the group's sites (production, distribution administrative and research).

The calculations are based on specific data:

- for each energy source (natural gas, fuel oil), L'Oréal multiplies energy consumption by the appropriate emission factor;
- for gas and fuel oil, L'Oréal applies the emission factors recommended by the GHG Protocol.

The total of these emissions is 65,126 tons equivalent CO₂ (t CO₂e).

Energy indirect GHG emissions (scope 2)

L'Oréal's indirect GHG emissions arise from heat network and electricity consumption of all the Group's sites (production, distribution administrative and research).

L'Oréal applies GHG Protocol. Calculations are based on specific data:

- for each energy source (steam, electricity, heat network), L'Oréal multiplies energy consumption by the appropriate emission factor;
- for electricity, the Group uses the emission factor of the local supplier, if available. Otherwise, the Group applies the latest factor supplied by the International Energy Agency;
- for steam and heat network, the Group uses the emission factor given by the suppliers.

The total of these emissions is 133,135 t CO₂e.

Other indirect GHG emissions (scope 3)

Total CO₂e emissions under the various headings of Scope 3 amount to 7,235 thousand metric tons of equivalent CO₂ and break down as follows:

Upstream:

1. Products and services purchased: 1,694 kilotons (kt)
 2. Capital goods: 90 kt
 3. Activities involving consumption of fuel or energy (not included in Scope 1 and Scope 2 emissions): 23 kt
 4. Upstream transport and distribution: 121 kt
 5. Waste generated by sites: 96 kt*
 6. Business travel: 291 kt
 7. Employee commuting: 113 kt
 8. Upstream assets leased: 0 kt
- Other upstream consumption: 11 kt

* For 2015, the "Waste generated by sites" category was estimated at 91 kt.



Downstream:

- 9. Downstream transport and distribution: 246 kt
- 10. Treatment of products sold: 0 kt
- 11. Use of products sold: 3,974 kt
- 12. End-of-life treatment of products sold: 411 kt
- 13. Downstream assets leased: 0 kt
- 14. Franchises: 37 kt
- 15. Investments: 108 kt
- Other consumption: 20 kt (Chimex, which calculates its own GHG Balance)

Estimated CO₂ amounts are arrived at using emission factors incorporating all the greenhouse gases.

Biogenic emissions of CO₂ were 189,357 metric tons of CO₂ equivalent. This represents the emissions from a biomethanisation plant using organic waste to generate energy (electricity and heat) at the plant in Belgium (9,661 t CO₂e), the emission of wood consumption on several sites (3,488 t CO₂e) and biogenic emissions from the degradation of the products rejected by their users (176,208 t CO₂e).

The emission factors used are taken from databases (International Energy Agency, Eco-Invent, Association Bilan Carbone).

Concerning the use of products, some brands, such as Garnier, raise consumer awareness of eco-friendly ways of reducing hot water consumption, or of sorting toiletry product waste.

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THE FOUR PILARS OF THE PROGRAM

SHARING BEAUTY WITH ALL

L'Oréal's low carbon strategy is part of its sustainable commitment Sharing Beauty With All, launched in 2013. Completely integrated in L'Oréal's value chain, this program is based on four pillars:

- Innovating sustainably, to reduce the environmental footprint of products and formulas;
- Producing sustainably, to reduce the environmental footprint of plants and distribution centers, particularly their carbon footprint;
- Living sustainably, to empower consumers to make sustainable choices;
- Developing sustainably, by sharing growth with internal and external stakeholders (communities, suppliers and employees).

Find out more:

- www.sharingbeautywithall.com/en
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