# ĽORÉAL

## L'ORÉAL REDOUBLES THE EFFORTS TO ACHIEVE ITS AMBITIOUS SUSTAINABILITY TARGETS

Clichy, April 20<sup>th</sup> 2017 – While the consequences of climate change become more and more real, affecting also the cosmetic sector, the L'Oréal Group reports on its targets to significantly reduce its environmental footprint and reaffirms its commitment to fight climate change.

"Climate change is a reality and it impacts the most vulnerable within our value chain, for example farmers and producers of certain natural ingredients, such as shea butter from Burkina Faso or argan oil from southern Morocco" says Alexandra, Chief Sustainability Officer.

"Action is urgently needed. At the halfway mark of our 2020 ambitions, we are going to redouble our efforts to reduce our environmental footprint and reach our targets, particularly in terms of sustainable production and innovation", she declares.

The results published today by L'Oréal in the 2016 Sharing Beauty With All Progress Report prove the progress made.

#### Sustainable Production: a performing low-carbon model

By reducing the emissions of its plants and distribution centres by 67%, in absolute terms, from a 2005 baseline, L'Oréal has exceeded its target of a -60% reduction in CO2 emissions, four years ahead of schedule, while increasing its production by 29% during the same period.

Furthermore, by the end of 2016, the Group counts 15 industrial sites that have achieved carbon neutrality.

This exceptional performance is acknowledged by the CDP, an independent international organisation, which evaluates the environmental performance of companies. In 2016, among almost 3,000 companies evaluated, L'Oréal is one of two companies in the world awarded with a score of "A" representing the highest level of performance on three key topics: climate protection, sustainable water management and the fight against deforestation.

#### Sustainable innovation: gradual improvement of all new products

By 2020, L'Oréal is committed to improve the environmental or social profile of 100% of its new or renovated products. This means that all consumers around the world can be assured that every new L'Oréal product they buy has improved its impact on the environment and on society.

This commitment concerns all L'Oréal brands and 82% of the products launched in 2016 (74% in 2015) already show such an improvement. Some the new products launched in 2016 demonstrate levels of biodegradability exceeding 98%, such as, for example the shampoos and conditioners of the new Biolage R.A.W. range, or the Garnier Ultra Doux 5 Plants shampoo.

Download the report and discover all the results: sharingbeautywithall.loreal.com/results

Follow @LOrealCommitted, the Twitter account dedicated to L'Oréal's sustainability commitments.

Discover the digital version of the report and the website: sharingbeautywithall.loreal.com

The Sharing Beauty With All programme was launched in 2013. Completely integrated in the entire value chain of the Group, it summarises L'Oréal's commitments in terms of sustainable development by 2020 and addresses all its impacts: from the conception of products to their distribution, including the production process or the sourcing of ingredients.

This programme is based on 4 pillars:

- Innovating sustainably, to reduce the environmental footprint of products and formulas;
- Producing sustainably, to reduce the environmental footprint of plants and distribution centres;
- Living sustainably, giving consumers the possibility to make sustainable consumption choices;
- Sharing our growth with all the Group's stakeholders (communities, suppliers and employees).

Every year, L'Oréal communicates transparently, providing figures, with regard to its progress. Today, the Group is one of the companies of which the ambition and the seriousness in terms of sustainable development are the most recognised on an international level.

#### 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

"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.

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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