# ĽORÉAL

# A Worldwide Solidarity Purchasing Programme To Advance Social Inclusion

Clichy, 4 June 2012 - The L'Oréal Solidarity Sourcing programme promotes social inclusion by helping economically vulnerable people find work and an income in France and countries where the Group operates. In 2010 L'Oréal initiated the Solidarity Sourcing programme inspired by The Body Shop's sustainable development and fair trade values. The Solidarity Sourcing programme is a comprehensive approach implemented worldwide that has enabled 14,000 people to find work with the Group's suppliers and partners.L'Oréal's Solidarity Sourcing opens the Group's purchasing process to new categories of suppliers who for example have trouble accessing major contractors or employ people who are usually left out of the job market. The Group's 600 buyers accompany and support these companies in their economic development so that they are considered regular suppliers like any other. The Solidarity Sourcing programme reaches out to fair-trade producers, companies working for the inclusion of disabled people, companies promoting social integration, very small, small and mid-sized businesses and minority-owned companies (depending on local law)." I am convinced that an economically successful company must have a positive social and societal impact," said Jean-Paul Agon Chairman and CEO L'Oréal. "This is the purpose behind the Solidarity Sourcing programme whose goal is to use our purchasing power as a leverage to advance social inclusion. By associating new categories of suppliers, our business model further integrates these social values."

#### Projects around the world

Headed by Chea Lun, Director Solidarity Sourcing, the solidarity purchasing programme is deployed in all the countries where the Group operates. In China for example, Solidarity Sourcing supported the establishment of sub-contractor Ruo Lin, a subsidiary of Servigest in Spain which sub-contracts packaging and employs disabled people. Ruo Lin employs today 32 people. In France, the Solidarity Sourcing programme is involved in the modernisation and expansion of L'Oréal headquarters in Clichy. Construction companies agreed to earmark 5% of their working hours to employ people who have disabilities, young people without qualifications and people who have been unemployed for over a long period of time. In coordination with the "Maison de l'Emploi" in Clichy, L'Oréal set up a one-stop recruiting centre and implemented new sub-contracting clauses on behalf of organisations, companies promoting social integration, companies working towards integrating disabled people, and very small local businesses." *The fight against exclusion is a concern shared throughout all continents, North and South,*" says Chea Lun Programme Director. "*It's a major social issue that involves emerging countries just as much as the developed economies*."

L'Oréal, the world's leading beauty company, has catered to all forms of beauty in the world for over 100 years and has built an unrivalled portfolio of 27 international, diverse and complementary brands. With sales amounting to 20.3 billion euros in 2011, L'Oréal employs 68,900 people worldwide. Regarding sustainable development, Corporate Knights, a Global Responsible Investment Network, has selected L'Oréal for its 2012 ranking of the Global 100 Most Sustainable Corporations in the World. L'Oréal has received this distinction for the 5th consecutive year. www.loreal.com

## Key figures

Project budgets: between 35,000 and three million euros 14,000 people receive a direct income Approximately 100 initiatives in over 40 countries L'Oréal group brands, including The Body Shop, have registered €50 million in solidarity purchases so far.To know more:

Solidarity sourcing – Purchasing as a lever to promote inclusion

> Watch the video



#### 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

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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."

## Contacts L'OREAL (switchboard + 33 1.47.56.70.00)

#### Individual shareholders and market authorities

Financial analysts and institutional investors

Journalists

Jean Régis CAROF Tel : + 33 (0)1.47.56.83.02 jean-regis.carof@loreal.com Françoise LAUVIN Tel : +33 (0)1.47.56.86.82 francoise.lauvin@loreal.com Stéphanie Carson-Parker Tel : + 33 (0)1 47 56 76 71 stephanie.carsonparker@loreal.com

For further information, please contact your bank, stockbroker or financial institution (I.S.I.N. code: FR0000120321), and consult your usual newspapers or magazines or the Internet site for shareholders and investors, www.loreal-finance.com,the L'Oréal Finance app or call the toll-free number from France: 0.800.66.66.66.

Anne-Laure RICHARD Tél : +33 (0)1.47.56. 80.68 annelaure.richard@loreal.com Polina Huard Tél : +33 (0)1 47 56 87 88 polina.huard@loreal.com

Vanessa Wang Tel : +33 (0)1 47 56 76 88 vanessa.wang@loreal.com

