

L'ORÉAL

L'Oréal Italia Reveals Project “Zero Emissions”

L'Oréal Italia's highly innovative project will result in the Settimo Torinese production hub using only renewable sources. *Milan, 1 March 2012* – Today L'Oréal Italia presented its project, “L'Oréal Italy: Zero Emissions,” which calls for zero CO2 emissions by the Settimo Torinese facility, the number-one in the L'Oréal Group by units produced, through the use of renewable sources only. This collaboration between L'Oréal, the Municipality of Settimo Torinese, and the energy-saving company Pianeta, will contribute to achieving the Group's environmental plan launched in 2005, which aims to decrease greenhouse gas emissions by half by 2015 and will also meet the provisions of the Kyoto and Durban agreements. The Settimo Torinese hub will be totally self-sufficient from an energy standpoint. A connection to a cogeneration network, fuelled by a system that simultaneously uses three renewable sources — a **thermodynamic solar system**, a zero-kilometre **biomass gasification plant** and a **district-heating and district-cooling network** — will guarantee the energy required to run the site. *“Our Settimo Torinese plant plays a strategic role within the Group due to the excellence of its plant and a team of people who face each day's challenges with passion,”* stated Giorgina Gallo, President and CEO of L'Oréal Italia. *“In Settimo we have already achieved considerable environmental sustainability goals. Today, we are issuing a new challenge, encouraged by our close relationships with local institutions, with which we have always cooperated to make our facility even friendlier to the environment and local community, in addition to a safe, healthy place for the women and men who work there.”* Corrado Clini, Italian Minister of the Environment, commented, *“The L'Oréal project is one of the most interesting examples of investment in industrial and environmental good practices, a symbol of the so-called green economy, which is the only viable economy today.”* The initiative developed in Settimo Torinese represents a unique case in Italy of a public-private partnership that combines respect for the environment, sustainable growth and energy-savings. The agreement is highly indicative of L'Oréal's commitment to consolidating its presence and contribution in an innovative area such as Settimo Torinese, which is characterized by significant re-industrialisation in a modern key, where entrepreneurship, research, innovation and sustainability are combined. Thanks to the agreement signed with **Pianeta** — an energy-saving company owned by the Municipality of Settimo Torinese — and with the **Municipality itself** it will be possible to create a heat-concentration system that will use cutting-edge solar panels based on CSP (Concentrating Solar Panel) technology and a biomass plant. In November 2011, this consolidated partnership had already enabled the L'Oréal plant to be hooked up to the Municipality's district-heating network — the same grid that provides heat to the citizens of Settimo. *“The collaboration between our Municipality and L'Oréal marks an example of the possible collaboration among industrial players, territory and citizens that I believe*

can be extended and replicated elsewhere”, stated Aldo Corgiat, the Mayor at Settimo Torinese, “Pianeta and L’Oréal are producing an innovative model of production and consumption of renewable energy - a new technological frontier – reducing to zero CO2 emissions of an important industrial site and generating a great quantity of green energy deriving from the thermodynamic solar resources”. The innovative technology of the concentrating solar panels, combined with the use of the biomass plant and district-heating network, will guarantee green energy for the plant without interruptions, even at night and on days without sunshine. In addition, independence from fossil fuels will allow the facility to plan its resources better and increase its productivity. Overall, the positive environmental impact for the local community and area — quantifiable in terms of “atmospheric emissions avoided” — is equal to 7,800 fewer tonnes of CO2 each year. *“The Settimo Torinese plant is currently the Group’s largest by volume,” commented Paolo Bonfanti, Plant General Manager at L’Oréal SAIPO Industriale, “a result that has been achieved in part due to its increasing role as a model from the standpoint of the environment and sustainability. We are absolutely convinced that development must be combined with respect for the local area and community. In addition, all of these things represent a fundamental competitive factor.”* **About L’Oréal** *L’Oreal, the world’s leading cosmetics company, has catered to all forms of beauty in the world for over 100 years and has built an unrivalled portfolio of 23 international, diverse and complementary brands. With sales amounting to 20.3 billion euros in 2011, L’Oréal is present in 130 countries and employs 66,600 people. 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* **Contacts: L’Oréal**

Italia Institutional Communication

Filippo De Caterina

fdecaterina@it.loreal.com

Tel. +39 02 97066 606 **L’Oréal Group**

Laura Lovasik

laura.lovasik@loreal.com

Tel. 33 (0)1 47 56 76 77

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

Jean Régis CAROF
Tel : + 33 (0)1.47.56.83.02
jean-regis.carof@loreal.com

Financial analysts and institutional investors

Françoise LAUVIN
Tel : +33 (0)1.47.56.86.82
francoise.lauvin@loreal.com

Journalists

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