



L'Oréal USA I've Got the Power Energy Conservation Challenge

EPA ENERGY STAR Buildings Partner
Meeting

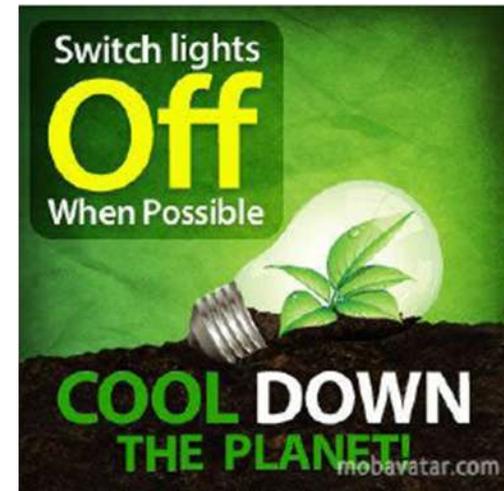
October 11, 2012



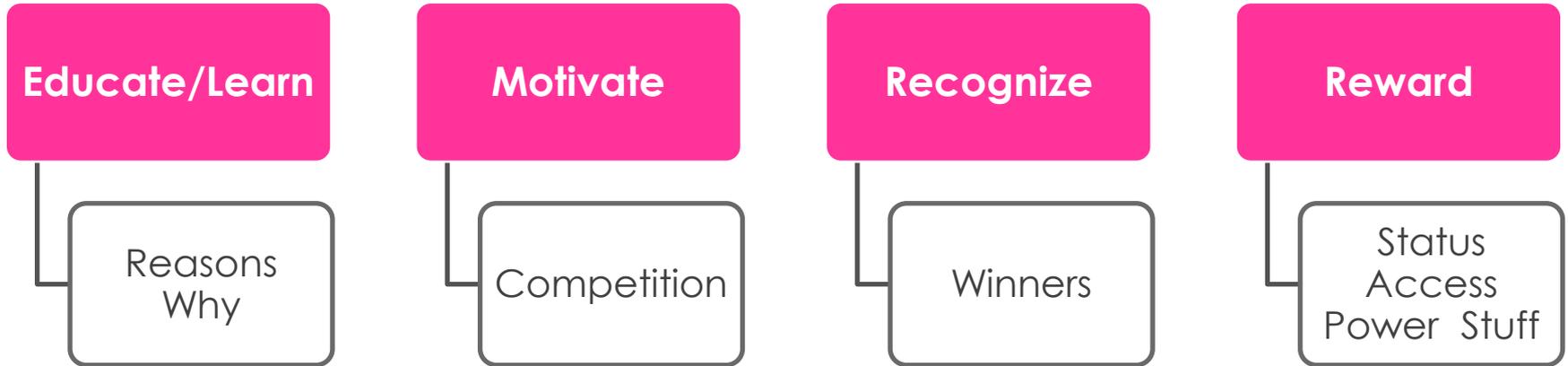
Learn more at energystar.gov

Program Objectives

- Change employee electrical energy conservation behavior in the office
- Increase employee knowledge and engagement to build a long-term culture of sustainability



Applying Game Theory to Behavior Change



Program Elements: Educate, Motivate, Recognize & Reward



Educate/Learn

- Communicate L'Oréal goal to reduce environmental footprint
- Use Energy Champs to educate colleagues on each floor about how they can conserve electricity

Motivate

- Incent a floor by floor competition to reduce electrical consumption
- Measure results

Recognize

- Announce monthly winners on Facebook
- Call out negative behavior

Reward

- Winning floor receives \$5K cash prize

Video



Educate & Motivate



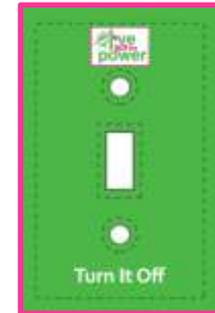
Posters



Tip Sheets



T-Shirts



Light Switch Covers



Mystery Checkers



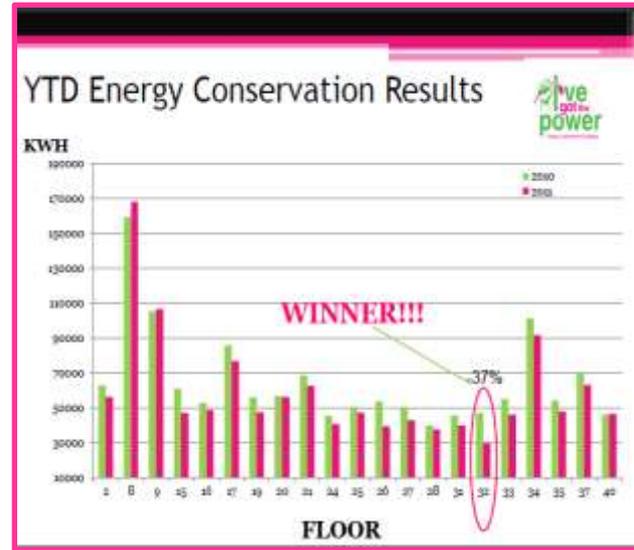
Monitor Static Clings



Launch Banners



Recognize, Reward & Reinforce



Results



- Reduced total electrical usage by 9% (Aug-Jan 22 Floors)
- Reduced total electrical costs by \$16,500.00
- Winning floor reduced consumption by 37%
- Engaged 136 employees on Facebook 
- Recognition in L'Oréal 2011 Sustainable Development Report
- Finalist for PR News CSR Award for Best Employee Relations Program



An all-American challenge



For a six-month period beginning on 11 August 2011, L'Oréal USA employees at the New York City headquarters were called to action for the "Live Got the Power" Energy Conservation Challenge, implemented in partnership with the US Environmental Protection Agency (EPA). This challenge was motivated by the knowledge that 45% of the US's greenhouse gases are emitted by business premises, and it is estimated that 30% of the energy consumed in these buildings is wasted. The aim was to reduce the energy consumption of L'Oréal USA's head office by rewarding the floor that obtained the best rate of reduction. With this in mind, the participating employees were reminded of the simple actions that they could take to prevent energy waste, such as switching off lights and computers when leaving their workstations and offices. A Facebook page was also created to raise participants' awareness. But this challenge was only one facet of the numerous energy-saving measures taken by L'Oréal USA, such as

the installation of solar panels on the Raccataway and Rapin sites, the use of hydro-electricity, and the installation of LED lighting. In 2011, ahead of schedule, these actions enabled the subsidiary to reach a 46% cut in greenhouse gas emissions.

“Apart from raising employees' awareness of the simple gestures they could take to conserve energy, L'Oréal's USA headquarter office realised an energy savings of 9% between August and January with the winning floor reducing energy consumption by -37%.”

PAM ALABASTER,
CORPORATE COMMUNICATIONS DIRECTOR,
SUSTAINABLE DEVELOPMENT
AND PUBLIC AFFAIRS, L'ORÉAL USA

