

L'ORÉAL

L'Oréal awarded the Grand Prize for Gender Diversity by Ethics & Boards and the Institut du Capitalisme Responsable

Clichy, 31 January 2017 – L'Oréal received the Grand Prize for Gender Diversity in the CAC 40 Category, as well as the Gender Diversity Award in the Consumer Goods and Services category, at the 1st Gender Diversity Awards, held on 30 January at the Palais Bourbon by the Ethics & Boards Observatory and the Institut du Capitalisme Responsable (Institute for Responsible Capitalism).

Jean-Paul Agon, Chairman and CEO of L'Oréal, said: *“Gender diversity is a strategic priority for our Group as it is a source of creativity, innovation and performance. These two awards recognise L'Oréal's long-standing commitment to equality between men and women at all levels of the company. They encourage us to further accelerate our efforts to advance gender diversity in our company and in society.”*

The Awards ceremony was held as part of the inauguration of the Gender Diversity in Business Index, or Zimmermann Index, under the patronage of Marie-Jo Zimmermann, Deputy of the French National Assembly. This new index, directly inspired by the Copé-Zimmermann Law, will create an independent and objective annual measurement of gender diversity of SBF 120 companies' Boards and executives. The index is structured around 6 business sectors based on the MSCI (*Modern Index Strategy Indexes*) classification, and will be extended to all of Europe in 2018. The Zimmermann index takes three areas into account: 1) Board gender diversity 2) Gender diversity of the executive management committees 3) women's representation within the company.

In the L'Oréal Group, women represent 70% of the company's 89,331 employees worldwide, 33.3% of the Group's Executive Committee and 46% of the Board of Directors (7 out of 15 members) (as of 31/12/2016).

The L'Oréal Group has a long-standing commitment to workplace gender equality, and aims to ensure equal job classifications and pay for equal skills. In France, where the Group has worked with the French national institute for demographic studies (INED) to analyse the pay gap since 2007, the gender-based pay gap on a like-for-like basis was under 4% in 2015 for management and non-existent for other categories of employees.

In recognition of its progress on workplace gender equality, L'Oréal has received both the GEEIS (Gender Equality European and International Standard) and EDGE (The Global Business Certification Standard for Gender Equality) certifications in 30 countries.

About L'Oréal

L'Oréal has devoted itself to beauty for over 105 years. With its unique international portfolio of 32

diverse and complementary brands, the Group generated sales amounting to 25.26 billion euros in 2015 and employs 82,900 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

About Ethics & Boards

Ethics & Boards is the leading international observatory of the governance of publicly traded companies. Ethics & Boards monitors governance data on over 500 companies and news on over 4,000 administrators in France and worldwide on a daily basis. Ethics & Boards Analytics' database and rankings, available by subscription, are must-have tools for analysis, strategic assessment, and coordination of corporate governance. They can also be used for benchmarking and studies for institutions, businesses, and the media.

About the Institut du Capitalisme Responsable

The Institut du Capitalisme Responsable (ICR), founded in January 2017, is an applied research centre dedicated to Integrated Thinking (integration of social and financial performance) for companies, investors, and the broader finance community. It strives to encourage an entrepreneurial spirit in order to foster a new pact with society by creating a mutually virtuous relationship. The Institute designs, leads and coordinates exchanges of ideas and interactions between corporate leaders, representatives of society, and financial experts who want to work together to advance a more integrated, more responsible, more sustainable approach within companies and the finance community. It is made up of several think tanks, as well as do tanks dedicated to experimentation, and reference events designed to foster progress towards responsible capitalism within the business ecosystem. Its members include the Observatoire de l'Équilibre Hommes / Femmes (OEHF, Gender Equality Observatory), which seeks to identify, develop and test effective drivers and practical solutions to increase Diversity within companies. The OEHF's work is a natural fit with the Zimmermann Index. The Institute also produces a number of annual Benchmarks and Observatories.

The Institut du Capitalisme Responsable is an independent non-profit organisation. This event is its first public programme.

About the Zimmermann Index methodology

The Zimmermann Index ranks all of the companies traded on the SBF 120 index as of 1 December 2016. The data analysed is sourced from official corporate reports on fiscal year 2015 and corporate

statements as of 16 September 2016.

The index is based on 10 criteria distributed in 3 sections:

? Board gender diversity (28 points + 1 bonus point for Boards which already comply with the Copé-Zimmermann Law)

- Gender diversity of the Board

- Woman Chair of the Board

- Gender diversity of the Appointments Committee

- Woman Chair of the Appointments Committee

? Gender diversity of executive management bodies (57 points)

- Woman CEO

- Gender diversity of the Executive or Management Committee

- Gender diversity of the "Top 100"

? Women's representation within the company (15 points)

- Ratio of percentage of women in management to total percentage of women in the company

- Ratio of percentage of women in the Top 100 to percentage of women in management

- Ratio of percentage of women on the Executive or Management Committee to percentage of women in the Top 100

"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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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.

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