

L'ORÉAL'S CORRUPTION PREVENTION POLICY

The commitment to doing business with integrity is one of the pillars of our Code of Ethics.

L'ORÉAL has decided to communicate the way it prevents corruption.

This policy has been approved by the Chairman of the Board and Chief Executive Officer and by the Executive Committee, and has been presented to L'ORÉAL's Board of Directors. It may be regularly updated as a continuous progress is implemented.

SCOPE

As a signatory of the United Nations Global Compact since 2003, we are committed to acting against corruption in all its forms and to abide in particular with the United Nations Convention Against Corruption of 31 October 2003.

As a global and socially responsible company, we take full liability for actions within our sphere of influence.

However, we cannot be a substitute for governments and international organisations, which remain primarily liable in this matter. The fight against corruption is a vast and complex subject that no company can take up on its own.

We are not in favour of boycotting countries whose reputation in the fight against corruption is dubious. We think we can make a positive contribution by being present in such countries, in particular by applying our standards even when the local legislation provides for lower standards.

We will be able to express our positions on the prevention of corruption when our activities, employees or business partners are concerned.

KEY CONCEPTS

Save as otherwise provided in more restrictive laws, we consider that offering, promising or giving an undue advantage to someone, whether directly or indirectly, so that this person does, or refrains from doing, something within, or in breach of, his/her duties, constitutes an act of corruption.

Accepting or soliciting an undue advantage to do, or refrain from doing, something within, or in breach of, one's duties is also an act of corruption.

Offering, promising or giving money or any other kind of benefit to someone, whether directly or indirectly, so that this person abuses her influence, whether actual or contingent, to obtain a favourable decision from a public authority or other administration is called influence peddling. It is equivalent to corruption.

PRINCIPLES FOR ACTION

- We apply a zero tolerance policy on corruption.
- L'ORÉAL's anti-corruption policy applies to all employees, officers, directors and members of the executive and management committees of the Group and its subsidiaries worldwide.

- We prohibit « facilitation payments », which consist of the payment of small amounts to public authority representatives to accelerate legitimate routine actions.
- We do not allow contributions of any kind to political parties or politicians.
- We make sure our charity contributions and other philanthropic actions do not constitute “hidden” corruption.
- We forbid gifts and entertainment, either given or received, that might influence or be perceived as influencing a business relationship.
- We conduct detailed due diligence with regard to corruption risks before any acquisition or joint venture.
- We take measures within our power to ensure that the joint ventures in which we participate comply with our anti-corruption standards.
- We communicate our commitment to prevent corruption to our business partners and favour those who share them.
- We require intermediaries and agents who represent us, particularly in countries where the risk of corruption is high, to comply with our commitments on preventing corruption.

IMPLEMENTATION

The anti-corruption programme is revised periodically by the Executive Committee and is presented to the Board of Directors.

The Director of Risk Management and Compliance is the person in charge of the prevention of corruption at Group level. As such, he/she is responsible for designing and defining ways of implementing L'ORÉAL's anti-corruption policy, and for looking after the deployment of the requisite procedures and compliance therewith.

The Country Managers, or for Corporate or Zone staff, the member of the Group Executive Committee to whom they report, are responsible for the proper implementation of this programme and compliance therewith on a day-to-day basis.

In case of doubt, employees may seek advice by contacting the Director of Risk Management and Compliance or, at country/entity level, their Legal Manager. They may also ask their CFO for advice.

In the event of conduct or situations contrary to our Code of Ethics, to the Group's Ethics Policies or to this guide «The Way we Prevent Corruption», employees may, in accordance with our procedure for the collection and processing of alerts, bring these alerts to the attention of a member of the Group Executive Committee, of a Group, Zone or Country management committee in their reporting line, or to their Ethics Correspondent. They may also contact the Chief Ethics Officer directly, via the L'ORÉAL Ethics OPEN TALK secured website: www.lorealetics.com. Alerts are treated in a timely manner and appropriate measures are taken regardless of who is involved. No employee may face retaliation for bringing an alert or participating in its treatment.

In a spirit of transparency and exchange, we regularly communicate, both internally and externally, on the implementation of our anti-corruption policy and programme.