

L'ORÉAL

L'Oréal named as one of the world's most ethical companies by the Ethisphere Institute for the seventh time

Clichy, March 7, 2016 – L'Oréal announced today that it has been recognized by the Ethisphere Institute, a global leader in defining and advancing the standards of ethical business practices, as a 2016 World's Most Ethical Company®.

The World's Most Ethical Companies recognizes organizations who align principle with action, work tirelessly to make trust part of their corporate DNA, and in doing so, shape future industry standards by introducing tomorrow's best practices today.

Being an honoree for the seventh time underscores L'Oréal's commitment to leading ethical business standards.

Jean-Paul Agon, Chairman and Chief Executive Officer, declared: *"We are honored to receive this recognition by Ethisphere, it will be a source of pride for all L'Oréal employees. Over the last 10 years, we have seen growing expectation for companies to behave ethically. The next 10 years will see Ethics becoming no longer a "nice to have" but a fundamental prerequisite to any organization's license to operate. For companies who are leaders in this area, it will become a competitive advantage"*

Emmanuel Lulin, Senior Vice-President and Chief Ethics Officer, said: *"This seventh recognition strengthens our conviction that a business with the right culture of integrity is worth substantially more. L'Oréal's four effective Ethical Principles – Integrity, Respect, Courage and Transparency – help us make better decisions and address the ethical challenges of today and tomorrow."*

"Companies rely on Ethisphere to continually raise and measure the standards of corporate behavior. Those that demonstrate leadership in areas like citizenship, integrity and transparency create more value for their investors, communities, customers and employees, thus solidifying a sustainable business advantage," explained Ethisphere's Chief Executive Officer, **Timothy Erblich**.

"Congratulations to everyone at L'Oréal for being recognized as a World's Most Ethical Company."

The World's Most Ethical Company assessment is based upon the Ethisphere Institute's Ethics Quotient™ (EQ) framework developed over years of research and vetted and refined by the expert advice. The EQ offers a quantitative way to assess a company's performance in an objective, consistent and standardized way. The information collected provides a comprehensive sampling of definitive criteria of core competencies, rather than all aspects of corporate governance, risk, sustainability, compliance and ethics.

Scores are generated in five key categories: ethics and compliance program (35%), corporate citizenship and responsibility (20%), culture of ethics (20%), governance (15%) and leadership,

innovation and reputation (10%) and provided to all companies who participate in the process.

The full list of the 2016 World's Most Ethical Companies can be found at <http://worldsmoethicalcompanies.ethisphere.com/honorees/>.

About Ethics at L'Oréal

A company's behavior is as important as its economic performance or the quality of its products. L'Oréal has been built around fundamental ethical principles – Integrity, Respect, Courage, Transparency - which have shaped its culture and underpin its reputation. L'Oréal's ambition is to be an exemplary company worldwide and integrate ethics into the very heart of its business practices.

- *In 2000, L'Oréal was one of the first companies in France to establish a Code of Ethics and to appoint, in 2007, a Chief Ethics Officer.*
- *In 2008, L'Oréal's Chairman and CEO, Jean-Paul Agon, received the prestigious Stanley C. Pace Leadership in Ethics Award.*
- *In 2014, L'Oréal launched the 3rd edition of its Code of Ethics, which is now available in 45 languages and in Braille in English and in French, as well as a new ethics e-learning in 22 languages.*
- *In 2015, L'Oréal's Chief Ethics Officer, Emmanuel Lulin, received the prestigious Carol. R. Marshall Innovation in Ethics Award*
- *L'Oréal is a Global Compact LEAD company, one of the 100 companies included in the Global Compact 100 stock index and a signatory of the Women's Empowerment Principles, an initiative of UN Women and the UN Global Compact.*
- *L'Oréal organizes an annual Ethics Day where employees from around the world can chat online with L'Oréal's Chairman and CEO and their country General Manager about ethics.*

For more information on ethics at L'Oréal:

<http://www.loreal.com/group/governance/acting-ethically.aspx>

About L'Oréal

L'Oréal has devoted itself to beauty for over 105 years. With its unique portfolio of 32 international, diverse and complementary brands, the Group generated sales amounting to 25.26 billion euros in 2015 and employs 78,600 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 styling salons, travel retail and branded retail.

Research and innovation, and a dedicated research team of 3,700 people, are at the core of L'Oréal's strategy, working to meet beauty aspirations all over the world and attract one billion new consumers in the years to come. L'Oréal's new sustainability commitment for 2020 "Sharing Beauty With All" sets out ambitious sustainable development objectives across the Group's value chain.
www.loreal.com

About the Ethisphere Institute

The Ethisphere® Institute is the global leader in defining and advancing the standards of ethical business practices that fuel corporate character, marketplace trust and business success. Ethisphere

has deep expertise in measuring and defining core ethics standards using data--driven insights that help companies enhance corporate character. Ethisphere honors superior achievement through its World's Most Ethical Companies® recognition program, provides a community of industry experts with the Business Ethics Leadership Alliance (BELA) and showcases trends and best practices in ethics with the publication of Ethisphere magazine. More information about Ethisphere can be found at: <http://ethisphere.com>.

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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.

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

"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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