

L'ORÉAL'S CORRUPTION PREVENTION POLICY

The commitment to doing business with integrity is one of the pillars of our Code of Business 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 31st October 2003.

As a global corporate citizen, we take full responsibility for our actions within our sphere of influence.

However, we cannot be a substitute for the responsibility that lies with governments and with international organisations in this area. 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 on the grounds that their reputation as regards preventing corruption might be in dispute. 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 express our convictions on preventing corruption whenever our activities, our employees or our business partners are concerned.

PRINCIPLES FOR ACTION

- We apply a zero tolerance policy on corruption;
- L'ORÉAL's corruption prevention policy applies to all employees, officers and directors, members of the Group's Executive and Management Committees and subsidiaries worldwide;
- Notwithstanding the existence of more restrictive anti-corruption laws, we consider that constitutes an act of corruption the offering, promising or giving, whether directly or indirectly, of an undue advantage in order that a person act or refrain from acting in the exercise of his or her duties or in breach of his or her duties as well as accepting or soliciting an undue advantage in order to act or refrain from acting in the exercise of his or her duties or in breach of his or her duties; in particular, we prohibit "facilitation payments";

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- We do not allow any contributions to be made to political parties or politicians with a view to obtaining commercial advantage;
- We ensure that charity contributions and other philanthropic actions are not acts of corruption “in disguise”;
- We forbid giving or accepting gifts and/or entertainment that might influence or be perceived as influencing a business relationship;
- We carry out detailed corruption risks due diligence before any acquisition or joint venture;
- We take measures to ensure that the joint ventures in which we participate respect our corruption prevention standards;
- We communicate our commitment to preventing corruption to our business partners and favour those who share them;
- We require the intermediaries or agents who represent us, namely in Countries where the risk of corruption is high, to comply with our commitments on preventing corruption.

IMPLEMENTATION

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

The Director of Risk Management and Compliance is in charge of developing the corruption prevention programme.

The Country Managers, or for Corporate or Zone staff, the members of the Group Executive Committee to whom they report, are responsible for the proper deployment of the corruption prevention programme, and the respect of the corruption prevention policy.

Employees may, in particular, go to their management, their Legal Director, their Administrative & Financial Director, or their Ethics Correspondent if they have questions about the respect of our commitment in this area.

To ensure that no concern regarding corruption prevention remains unanswered, our Employees and our other stakeholders may contact the Chief Ethics Officer.

All concerns raised are thoroughly examined, and, where applicable, appropriate measures are taken.

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