

# L'ORÉAL

## United Nations Global Compact Communication On Progress ("COP") 2019

Advanced Level

January 2021

COMMUNICATION  
ON PROGRESS



This is our **Communication on Progress**  
in implementing the Ten Principles of the  
**United Nations Global Compact** and  
supporting broader UN goals.

We welcome feedback on its contents.





L'Oréal has been a signatory of the United Nations Global Compact since 2003 and is a member of the Board of the French network of the Global Compact (Global Compact France).

In 2019, L'Oréal was recognised as a Global Compact LEAD Company.

L'Oréal is committed to supporting the Ten Principles of the UN Global Compact relating to Human Rights, labour standards, the environment and the fight against corruption as well as reporting and communicating annually to its stakeholders on progress made to implement these principles.

L'Oréal is reporting according to the UN Global Compact "Advanced Level" and describes how it meets the 21 criteria of this Level in the following areas:

- Implementation of the Ten Principles into Strategies & Operations
- Robust Human Rights Management Policies & Procedures
- Robust Labour Management Policies & Procedures
- Robust Environmental Management Policies & Procedures
- Robust Anti-Corruption Management Policies & Procedures
- Taking Action in Support of Broader UN Goals and Issues
- Corporate Sustainability Governance and Leadership

This report reflects our self-assessment on how we have met the

UN Global Compact Advanced Level criteria in 2019. We consider that a criterion is met when we communicated its implementation or planned implementation of one or more of the commonly accepted best practices suggested under each criterion.

L'Oréal supports the United Nations Sustainable Development Goals ("SDGs"). We included a report to allow our stakeholders to better understand how L'Oréal contributes by its actions to the SDGs (see Annex 1).

As a signatory of the Women's Empowerment Principles (WEPs), we furthermore report according to the WEPs Reporting on Progress Guidance (see Annex 2).

In 2019, L'Oréal officially announced its support of the United Nations LGBTI Standards of Conduct of Business. Although there is at present no reporting standard on this commitment, we have chosen to include specific information on our actions in this report (see Annex 3). We hope to encourage other companies to do the same in the future.

Information in L'Oréal's 2019 COP is namely compiled from our [2019 Annual Registration Document](#), and [2019 Sharing Beauty With All Progress Report](#).



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### Extract from Jean-Paul AGON's statement taken from our sustainability programme

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Jean-Paul AGON  
*Chairman and Chief  
Executive Officer*

Our Ethical Principles – Integrity, Respect, Courage and Transparency – guide our development, contribute to our reputation and notably form the foundation of our policies on sustainability, social and societal responsibility, compliance and philanthropy.

Today, I am most proud that L'Oréal should be doubly recognised, both as a leader in its profession and a sustainability leader, by independent, authoritative experts. In 2019, we were the only company in the world to have achieved CDP's triple A rating (the highest possible ranking) for the fourth year running, for our efforts to fight climate change, manage water sustainably and prevent deforestation. L'Oréal ranks No. 1 globally in the Covalence EthicalQuote index of ethical performance.

In terms of gender equality, we are recognised as one of the most gender equal businesses in the world.

Within the context of our ongoing commitment to the UN Global Compact, we have been named as one of the 36 LEAD companies, an accolade reserved for the most advanced organisations on responsible business and that contribute to the UN Sustainable Development Goals. And we have been distinguished for the tenth time as one of the most ethical companies in the world by the Ethisphere Institute.

But the scale of the challenges facing our planet is unprecedented. We know that the greatest transformations are still to come. And that they will have to be deeply disruptive.

We remain faithful to our ambition – L'Oréal strives to be and must be exemplary.

We must always do better, and more rapidly, given the tremendous pace of the current global turmoil.

L'Oréal's sustainable revolution marks the dawn of a new era.



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INDICATORS	ANSWERS
Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc.) ensuring no function conflicts with company's sustainability commitments and objectives	<ul style="list-style-type: none"><li>• <a href="#">Our Ethical Principles on loreal.com</a></li><li>• <a href="#">2019 Registration Document 1.3.2. p41-45; 3.2.1. p113-115</a></li><li>• <a href="#">2019 Sharing Beauty With All Progress Report p4-5</a></li></ul>
Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Code of Ethics</a></li><li>• <a href="#">2019 Sharing Beauty With All Progress Report p4-5</a></li><li>• <a href="#">2019 Registration Document 3.2.1. p114</a></li><li>• <a href="#">L'Oréal Corruption Prevention Policy</a></li></ul>
Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 3.2.1. p113</a></li><li>• <a href="#">Sharing Beauty With All section on loreal.com</a></li></ul>
Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs	<ul style="list-style-type: none"><li>• <a href="#">2019 Sharing Beauty With All Progress Report p6-7</a></li></ul>
Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impacts	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 3.4.2. p122</a></li></ul>



INDICATORS	ANSWERS
Other established or emerging best practices	<ul style="list-style-type: none"> <li>• <a href="#">2019 Sharing Beauty With All Progress Report p.25</a></li> <li>• <a href="#">2019 Registration Document p148</a></li> <li>• <a href="#">Our Ethical Principles on loreal.com</a></li> </ul>
Analyse each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts	<ul style="list-style-type: none"> <li>• <a href="#">2019 Sharing Beauty With All Progress Report p9 ; p.14</a></li> <li>• <a href="#">2019 Registration Document 3.4.2.1. p121 ; 4.3.1.3.2. p170 ; 4.3.1.3.3. p174 ; 4.3.1.3.2. p170; 5.3. p239</a></li> </ul>
Communicate policies and expectations to suppliers and other relevant business partners	<ul style="list-style-type: none"> <li>• <a href="#">2019 Registration Document 4.3.1.3.2. p170 ; 4.3.1.3.3. p174 ; 4.3.3.3. p206</a></li> <li>• <a href="#">2019 Sharing Beauty With All Progress Report p22</a></li> </ul>
Implement monitoring and assurance mechanisms (e.g. audits/screenings) for compliance within the company's sphere of influence	<ul style="list-style-type: none"> <li>• <a href="#">2019 Registration Document 3.1. p112 ; 2.3.3. p73, 4.3.1.3.2. p170-171</a></li> <li>• <a href="#">2019 Sharing Beauty With All Progress Report p22</a></li> </ul>
Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners	<ul style="list-style-type: none"> <li>• <a href="#">2019 Registration Document 4.4. p215</a></li> <li>• <a href="#">2019 Sharing Beauty With All Progress Report p7 ; p22</a></li> </ul>
Other established or emerging best practices	<ul style="list-style-type: none"> <li>• <a href="#">2019 Sharing Beauty With All Progress Report p9 ; p.21 ; p22</a></li> <li>• <a href="#">2019 Registration Document 4.3.1.3.2. p170-171</a></li> </ul>



## Robust human rights management policies & procedures

"COP" 2019

INDICATORS	ANSWERS
Commitment to comply with all applicable laws and respect internationally recognized Human Rights, wherever the company operates (e.g., the Universal Declaration of Human Rights, Guiding Principles on Human Rights)	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Code of Ethics</a></li><li>• <a href="#">L'Oréal Supports The United Nations Global Compact</a></li><li>• <a href="#">2019 Registration Document 3.4.2.1. p121 ; 4.3.3.1. p203</a></li></ul>
Integrated or stand-alone statement of policy expressing commitment to respect and support Human Rights approved at the most senior level of the company	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Code of Ethics</a></li><li>• <a href="#">L'Oréal Human Rights Policy</a></li></ul>
Statement of policy stipulating Human Rights expectations of personnel, business partners and other parties directly linked to operations, products or services	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 3.4.2.1. p121</a></li><li>• <a href="#">The L'Oréal Spirit</a></li><li>• <a href="#">L'Oréal Code of Ethics</a></li><li>• <a href="#">L'Oréal Human Rights Policy</a></li><li>• <a href="#">L'Oréal Supplier/Subcontractor Child Labour</a></li></ul>
Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties	<ul style="list-style-type: none"><li>• <a href="#">The L'Oréal Spirit</a></li><li>• <a href="#">L'Oréal Code of Ethics</a></li><li>• <a href="#">L'Oréal Human Rights Policy</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 3.4.2.1. p121</a></li></ul>



## Robust human rights management policies & procedures

"COP" 2019

INDICATORS	ANSWERS
Process to ensure that internationally recognized Human Rights are respected	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 3.4.2.1. p121</a></li></ul>
On-going due diligence process that includes an assessment of actual and potential Human Rights impacts	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 3.4.3.2. p125</a></li></ul>
Internal awareness-raising and training on Human Rights for management and employees	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.3.1. p203</a></li></ul>
Operational-level grievance mechanisms for those potentially impacted by the company's activities	<ul style="list-style-type: none"><li>• <a href="#">Our Ethical Principles on loreal.com</a></li><li>• <a href="#">L'Oréal Speak Up Policy</a></li><li>• <a href="#">2019 Registration Document 3.4.4. p126</a></li></ul>
Allocation of responsibilities and accountability for addressing Human Rights impacts	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.3.1. p203</a></li></ul>
Internal decision-making, budget and oversight for effective responses to Human Rights impacts	See above





INDICATORS	ANSWERS
Processes to provide for or cooperate in the remediation of adverse Human Rights impacts that the company has caused or contributed to	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Supplier/Subcontractor Child Labour</a></li></ul>
Process and programmes in place to support Human Rights through: core business; strategic philanthropic/social investment; public policy engagement/advocacy; partnerships and/or other forms of collective action	<ul style="list-style-type: none"><li>• <a href="#">2019 Sharing Beauty With All Progress Report p21</a></li><li>• <a href="#">2019 Registration Document 4.3.1.3.2. p170 ; 4.3.3.5. p210-211</a></li><li>• <a href="#">L'Oréal Human Rights Policy</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.1.3.3. p178-179</a></li><li>• <a href="#">2019 Sharing Beauty With All Progress Report p10</a></li></ul>
System to monitor the effectiveness of Human Rights policies and implementation with quantitative and qualitative metrics, including in the supply chain	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 3.4.5.3. p129</a></li></ul>
Monitoring drawn from internal and external feedback, including affected stakeholders	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.1.3.3. p174</a></li></ul>
Leadership review of monitoring and improvement results	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 3.2.1. p112</a></li></ul>



INDICATORS	ANSWERS
Process to deal with incidents the company has caused or contributed to for internal and external stakeholders	<ul style="list-style-type: none"><li>• <a href="#">Our Ethical Principles on loreal.com</a></li><li>• <a href="#">L'Oréal Speak Up Policy</a></li><li>• <a href="#">2019 Registration Document 3.4.4. p126</a></li></ul>
Grievance mechanisms that are legitimate, accessible, predictable, equitable, transparent, rightscompatible, a source of continuous learning, and based on engagement and dialogue	<ul style="list-style-type: none"><li>• <a href="#">Our Ethical Principles on loreal.com</a></li><li>• <a href="#">L'Oréal Speak Up Policy</a></li><li>• <a href="#">2019 Registration Document 3.4.4. p126</a></li></ul>
Outcomes of integration of the Human Rights principles	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 3.4.5. p128</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document p213</a></li></ul>



INDICATORS	ANSWERS
Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Code of Ethics</a></li><li>• <a href="#">L'Oréal Human Rights Policy</a></li></ul>
Reflection on the relevance of the labour principles for the company	<ul style="list-style-type: none"><li>• <a href="#">The L'Oréal Spirit</a></li><li>• <a href="#">2019 Registration Document 1.3.2 p41 ; 4.3.2. p186 ; 4.3.2.4. p195</a></li></ul>
Written company policy to obey national labour law, respect principles of the relevant international labour standards in company operations worldwide, and engage in dialogue with representative organisation of the workers (international, sectoral, national)	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Code of Ethics</a></li><li>• <a href="#">L'Oréal Human Rights Policy</a></li></ul>
Inclusion of reference to the principles contained in the relevant international labour standards in contracts with suppliers and other relevant business partners	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Supplier/Subcontractor Child Labour</a></li></ul>
Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.4. p114-115 ; 4.3.2.4. p195-196 ; 4.3.2.6. p200</a></li><li>• <a href="#">2019 Registration Document 4.3.1. p150 ; 1.2.7. p26</a></li><li>• <a href="#">2019 Registration Document 4.3.2.4. p195-196</a></li><li>• <a href="#">Promoting Diversity &amp; Inclusion</a></li></ul>



INDICATORS	ANSWERS
Participation and leadership in wider efforts by employers' organizations (international and national levels) to jointly address challenges related to labour standards in the countries of operation, possibly in a tripartite approach (business – trade union – government)	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.2.4. p195-196</a></li></ul>
Structural engagement with a global union, possibly via a Global Framework Agreement	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.2.4. p196</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.2.4. p195-196</a></li><li>• <a href="#">2019 Sharing Beauty With All Progress Report p23</a></li></ul>
Risk and impact assessments in the area of labour	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document p98 ; 4.3.2.4. p195-197 ; 4.3.1.2. p159 ; 4.3.2.6. p200</a></li><li>• <a href="#">Promoting Diversity &amp; Inclusion</a></li></ul>
Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labour standards	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.2.4. p196-197</a></li></ul>
Allocation of responsibilities and accountability within the organisation	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.1.1. p152-153</a></li></ul>



INDICATORS	ANSWERS
Internal awareness-raising and training on the labour principles for management and employees	<ul style="list-style-type: none"> <li>• <a href="#">Our Ethical Principles on loreal.com</a></li> <li>• <a href="#">2019 Registration Document 4.3.2.6. p200</a></li> </ul>
Active engagement with suppliers to address labour-related challenges	<ul style="list-style-type: none"> <li>• <a href="#">2019 Registration Document 4.3.2.4. p195</a></li> <li>• <a href="#">2019 Sharing Beauty With All Progress Report p22</a></li> </ul>
Grievance mechanisms, communication channels and other procedures (e.g., whistleblower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in agreement with the representative organisation of workers	<ul style="list-style-type: none"> <li>• <a href="#">Our Ethical Principles on loreal.com</a></li> <li>• <a href="#">2019 Sharing Beauty With All Progress Report p22</a></li> </ul>
Other established or emerging best practices	<ul style="list-style-type: none"> <li>• <a href="#">2019 Registration Document 4.3.2.6. page 200-202</a></li> <li>• <a href="#">L'Oréal among the top 10 of the Thomson Reuters Diversity and Inclusion Index</a></li> <li>• <a href="#">One in Three Women Press Release</a></li> <li>• <a href="#">#StOpE : L'Oréal s'engage contre le sexisme dit Ordinaire en Entreprise</a></li> </ul>
System to track and measure performance based on standardized performance metrics	<ul style="list-style-type: none"> <li>• <a href="#">2019 Registration Document 4.3.1.1. page 153</a></li> <li>• <a href="#">2019 Registration Document 4.5.1.3. page 206</a></li> <li>• <a href="#">L'Oréal Diversity and Inclusion Key Figures 2019</a></li> <li>• <a href="#">Our Ethical Principles on loreal.com</a></li> </ul>



INDICATORS	ANSWERS
Dialogues with the representative organisation of workers to regularly review progress made and jointly identify priorities for the future	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.2.4. p195</a></li></ul>
Audits or other steps to monitor and improve the working conditions of companies in the supply chain, in line with principles of international labour standards	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 3.4.5. p128</a></li></ul>
Process to positively engage with the suppliers to address the challenges (i.e., partnership approach instead of corrective approach) through schemes to improve workplace practices	<ul style="list-style-type: none"><li>• <a href="#">A Sustainable Purchasing Policy</a></li></ul>
Outcomes of integration of the Labour principles	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 3.4.5.3. p128</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 1.3.2. p45</a></li></ul>



INDICATORS	ANSWERS
Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development)	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.1. p150</a></li><li>• <a href="#">2019 Sharing Beauty With All Progress Report p3-5</a></li></ul>
Reflection on the relevance of environmental stewardship for the company	<ul style="list-style-type: none"><li>• <a href="#">The L'Oréal Spirit</a></li><li>• <a href="#">Sharing Beauty With All on loreal.com</a></li><li>• <a href="#">2019 Sharing Beauty With All Progress Report p9-11 ; p14-16 ; p23</a></li><li>• <a href="#">2019 Registration Document 4.3.1. p150-186</a></li></ul>
Written company policy on environmental stewardship	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Code of Ethics</a></li><li>• <a href="#">2019 Sharing Beauty With All Progress Report p6-7</a></li><li>• <a href="#">2019 Registration Document 4.3.1. p150-161</a></li><li>• <a href="#">L'Oréal Water Policy</a></li></ul>
Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners	<ul style="list-style-type: none"><li>• <a href="#">2019 Sharing Beauty With All Progress Report p22</a></li><li>• <a href="#">2019 Registration Document 4.3.1.3.2. p170-173</a></li></ul>
Specific commitments and goals for specified years	<ul style="list-style-type: none"><li>• <a href="#">2019 Sharing Beauty With All Progress Report</a></li><li>• <a href="#">2019 Registration Document p152 ; p161-186</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.1.3.3. p174-175</a></li><li>• <a href="#">2019 Sharing Beauty With All Progress Report p8-24</a></li></ul>



INDICATORS	ANSWERS
	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.1.3.3. p174-175</a></li><li>• <a href="#">2019 Sharing Beauty With All Progress Report p12</a></li><li>• <a href="#">2019 Registration Document 3.4.5.2. p128-129 ; 3.4.5.3 p130</a></li></ul>
Environmental risk and impact assessments	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.2.2. p149-150 ; 4.3.1.2. p159-161 ; 4.3.1.1. p157</a></li></ul>
Assessments of lifecycle impact of products, ensuring environmentally sound management policies	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.1. p152 ; 4.3.2.1. p190 ; 4.3.1.3.3. p174 ; 4.3.2.2. p191</a></li><li>• <a href="#">2019 Sharing Beauty With All Progress Report p9-12 ; p18</a></li></ul>
Allocation of responsibilities and accountability within the organisation	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.1.1. p151</a></li></ul>
Internal awareness-raising and training on environmental stewardship for management and employees	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.1.1 p156</a></li></ul>
Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts	<ul style="list-style-type: none"><li>• <a href="#">Our Ethical Principles on loreal.com</a></li><li>• <a href="#">2019 Registration Document 3.4.4 p128-130 ; 3.4.3.1 p125</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.1.1. p153-161</a></li></ul>





INDICATORS	ANSWERS
System to track and measure performance based on standardized performance metrics	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.1. p152 ; p156 ; 4.3.1.3. p161-169 ; p182-185</a></li></ul>
Leadership review of monitoring and improvement results	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 2.3.2. p71 ; p155</a></li></ul>
Process to deal with incidents	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 1.2.7. p26 ; 153 ; 156 ; p159-161 ; 3.4.2.2. p122</a></li></ul>
Audits or other steps to monitor and improve the environmental performance of companies in the supply chain	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.1.3.2. p170 ; p156-159 ; 3.4.5.2. p128 -130</a></li><li>• <a href="#">2019 Sharing Beauty With All Progress Report p12 ; p14-16 ; p22</a></li></ul>
Outcomes of integration of the environmental principles	<ul style="list-style-type: none"><li>• <a href="#">2019 Sharing Beauty With All Progress Report p6</a></li><li>• <a href="#">2019 Registration Document p152 ; p161-169</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Sharing Beauty With All Progress Report p11</a></li><li>• <a href="#">2019 Registration Document 4.1.2. p146</a></li><li>• <a href="#">2019 Sharing Beauty With All Progress Report p25</a></li></ul>



## Robust anti-corruption management policies & procedures

"COP" 2019

INDICATORS	ANSWERS
Publicly stated formal policy of zero-tolerance of corruption	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Corruption Prevention Policy</a></li><li>• <a href="#">L'Oréal Code of Ethics</a></li><li>• <a href="#">The L'Oréal Spirit</a></li><li>• <a href="#">2019 Registration Document 4.3.4. p212</a></li></ul>
Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Corruption Prevention Policy</a></li><li>• <a href="#">L'Oréal Code of Ethics</a></li><li>• <a href="#">Our Ethical Principles</a></li><li>• <a href="#">2019 Registration Document 4.3.4. p212</a></li></ul>
Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Corruption Prevention Policy</a></li><li>• <a href="#">L'Oréal Code of Ethics</a></li><li>• <a href="#">Our Ethical Principles</a></li><li>• <a href="#">2019 Registration Document 4.3.4. p212</a></li></ul>
Detailed policies for high-risk areas of corruption	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Code of Ethics</a></li><li>• <a href="#">Our Ethical Principles</a></li><li>• <a href="#">2019 Registration Document 4.3.4. p212</a></li><li>• <a href="#">L'Oréal Corruption Prevention Policy</a></li></ul>
Policy on anti-corruption regarding business partners	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.4. p212</a></li></ul>



## Robust anti-corruption management policies & procedures

"COP" 2019

INDICATORS	ANSWERS
Other established or emerging bst practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.4. p212</a></li></ul>
Support by the organisation's leadership for anti-corruption	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.4. p212</a></li></ul>
Carrying out risk assessment of potential areas of corruption	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.4. p212</a></li></ul>
Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.4. p212</a></li><li>• <a href="#">Our Ethical Principles</a></li></ul>
Internal checks and balances to ensure consistency with the anticorruption commitment	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.4. p212</a></li></ul>
Actions taken to encourage business partners to implement anti-corruption commitments	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Corruption Prevention Policy</a></li><li>• <a href="#">2019 Registration Document 4.3.1.3.2. p170</a></li><li>• <a href="#">2019 Registration Document 4.3.4. p212</a></li></ul>
Management responsibility and accountability for implementation of the anti-corruption commitment or policy	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Corruption Prevention Policy</a></li><li>• <a href="#">2019 Registration Document 4.3.4. p212</a></li></ul>



INDICATORS	ANSWERS
Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Corruption Prevention Policy</a></li><li>• <a href="#">Our Ethical Principles</a></li><li>• <a href="#">2019 Registration Document 4.3.4. p212 ; 3.2.1. p113</a></li></ul>
Internal accounting and auditing procedures related to anticorruption	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.4. p212</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.4. p213</a></li></ul>
Leadership review of monitoring and improvement results	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.4. p212 ; 3.2.1. p113</a></li></ul>
Process to deal with incidents	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Corruption Prevention Policy</a></li><li>• <a href="#">Our Ethical Principles</a></li><li>• <a href="#">2019 Registration Document 4.3.4. p212 ; 3.2.1 p113</a></li></ul>
Public legal cases regarding corruption	There was no public cases regarding corruption in 2019.
Outcomes of integration of the anti-corruption principle	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.4. p214</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.4. p214</a></li></ul>



INDICATORS	ANSWERS
Align core business strategy with one or more relevant UN goals/issues	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Code of Ethics</a></li><li>• <a href="#">Sharing Beauty With All on loreal.com</a></li><li>• <a href="#">L'Oréal Corruption Prevention Policy</a></li></ul>
Develop relevant products and services or design business models that contribute to UN goals/issues	<ul style="list-style-type: none"><li>• <a href="#">2019 Sharing Beauty With All Progress Report p5 ; p9-11</a></li><li>• <a href="#">2019 Registration Document 1.2.7. p26 ; 4.3.1.3.3. p174 ; 4.3.1.4.1. p182-183 ; 4.3.3.2. p204</a></li></ul>
Adopt and modify operating procedures to maximize contribution to UN goals/issues	<ul style="list-style-type: none"><li>• <a href="#">2019 Sharing Beauty With All Progress Report p5-6, p22-24</a></li><li>• <a href="#">2019 Registration Document 4.3.1.1. p153 ; p144-149, 1.3.2. p41</a></li><li>• <a href="#">2019 Registration Document 4.3.2.6. p200</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">See Annex 1 on the United Nations Sustainable Development Goals</a></li></ul>
Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.1.3.3. p178 ; 4.3.3.2. p204</a></li><li>• <a href="#">2019 Sharing Beauty With All Progress Report p9 ; p19</a></li></ul>
Coordinate efforts with other organisations and initiatives to amplify – and not negate or unnecessarily duplicate – the efforts of other contributors	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.3.4. p207</a></li></ul>



INDICATORS	ANSWERS
Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.3.4. p207</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.3.4. p207</a></li></ul>
Publicly advocate the importance of action in relation to one or more UN goals/issues	<ul style="list-style-type: none"><li>• <a href="#">See Annex 1 on the United Nations Sustainable Development Goals</a></li><li>• <a href="#">See Annex 2 on the Women Empowerment Principles</a></li><li>• <a href="#">See Annex 3 on the United Nations LGBTI Standards of Conduct</a></li></ul>
Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal News</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.3.2.6. p200</a></li><li>• <a href="#">Promoting Diversity and Inclusion</a></li></ul>
Develop and implement partnership projects with public or private organisations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 1.3.2. p41-45 ; 3.3.1.3.3. p177 ; 4.3.3.4. p207</a></li><li>• <a href="#">2019 Sharing Beauty With All Reports p21 ; p24</a></li></ul>



## Taking action in support of broader UN goals and issues

"COP" 2019

INDICATORS	ANSWERS
Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain	See above
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Sharing Beauty With All Reports p24</a></li></ul>



INDICATORS	ANSWERS
CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.1.2. p146 ; 2.3.2. p71</a></li></ul>
CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact	<ul style="list-style-type: none"><li>• <a href="#">2019 Sharing Beauty With All Report p4-5</a></li></ul>
CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards.	<ul style="list-style-type: none"><li>• <a href="#">Board of Directors of the Consumer Goods Forum</a></li></ul>
Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 2.4.1.2.4. p96</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">Jean-Paul Agon speaks regularly in support of L'Oréal's Diversity and Inclusion programme</a></li></ul>
Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 2.2.3. p68</a></li></ul>
Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 2.2.3. p68</a></li></ul>





INDICATORS	ANSWERS
Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress)	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 2.2.3. p68</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 3.2.1. p113-115</a></li></ul>
Publicly recognise responsibility for the company's impacts on internal and external stakeholders	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.1.2. p146</a></li></ul>
Define sustainability strategies, goals and policies in consultation with key stakeholders	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.1.2. p146</a></li></ul>
Consult stakeholders in dealing with implementation dilemmas and challenges and invite them to take active part in reviewing performance	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 4.1.2. p146</a></li></ul>
Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle-blowers'	<ul style="list-style-type: none"><li>• <a href="#">L'Oréal Speak Up Policy</a></li></ul>
Other established or emerging best practices	<ul style="list-style-type: none"><li>• <a href="#">2019 Registration Document 3.2.1. p114</a></li></ul>

## At L’Oréal, we contribute to 16 of the 17 United Nations Sustainable Development Goals for 2030

In 2015, all 193 United Nations Member States unanimously adopted the **17 Sustainable Development Goals (SDGs)**. These Goals address the world’s major environmental and social challenges. The plan is to reach them by 2030. All the Member States but also all corporations and civil society are asked to contribute to play their part.

At L’Oréal, we currently address 16 of these Goals<sup>1</sup> via various programmes such as our Ethics programme, our Corporate Responsibility “Sharing Beauty with All” targets, our ambitious Diversity & Inclusion initiatives and our strong Compliance structure. The Fondation L’Oréal and our philanthropic actions also play an important role.

The following Annex provides information on the concrete actions taken to contribute to the SDGs.

<sup>1</sup> Because it is outside of our scope of influence and business activity, we currently do not contribute directly to SDG 2 (End Hunger) although our contribution to the SDGs supporting economic empowerment allows us to contribute indirectly.



## CONTRIBUTING TO ECONOMIC EMPOWERMENT



At L'Oréal, we support economic empowerment which helps address the SDGs listed above. Some examples of concrete actions include:

**Group Human Rights Policy/Employee Human Rights Policy:** These policies provide for respect of fundamental rights throughout our value chain (targets 8.7 ; 10.2 ; 10.7).

**Buy & Care:** Our responsible purchasing policy integrates ethical, social and environmental criteria in supplier selection and performance monitoring (targets 1.2 ; 8.8).

**Fair Wages:** Our partnership with the NGO Fair Wage Network helps us implement a living wage strategy, ensuring workers and their dependents have sufficient revenue for basic needs (targets 1.2 ; 8.8).

**Solidarity Sourcing programme:** By dedicating a sizeable portion of L'Oréal's global purchases to improving opportunities and job accessibility for disadvantaged communities, we have helped employ over 70,000 people (targets 1.1 ; 10.A).

**Share & Care:** We provide our employees in the 67 countries in which we operate with a universal set of social benefits (targets 1.3 ; 8.5).

**Beauty for a Better Life:** The Fondation L'Oréal provides over 4,000 disadvantaged women each year with free high-quality training for careers in beauty and also runs a beauty therapists programme to help women facing difficult health or social challenges regain their dignity, humanity and femininity (targets 1.1 ; 4.5 ; 10.2).

**For Women in Science:** This programme contributes to improving representation of women in scientific research and provides access to scientific education for girls (target 4.5 ; 10.2).

**Write her Future:** Initiated by Lancôme alongside the NGO Care, we fight against illiteracy among young girls (targets 4.1 ; 4.5 ; 4.6).

**ILO Global Business and Disability Network:** We have been active since 2015 in promoting the inclusion of people with disabilities in workplaces around the world (targets 8.5 ; 10.2).

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## ENSURING GOOD HEALTH AND WELL-BEING

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At L'Oréal, we contribute to SDG 3 namely by the following actions:

**Product safety:** We consider Product Safety as our number one duty. Each of our products undergoes approximatively 100 quality controls (target 3.6).

**Responsible advertising:** As health authorities are increasingly concerned about the eating disorders affecting some young women, L'Oréal's Code of Ethics states that the Group will not work with models who clearly present a major behavioural disorder (target 3.4)

**Share & Care:** 94% of the Group's permanent employees benefit from health cover that reflects best practices in their country of residence in 2019 (target 3.8).

**L'Oréal Professionnel against musculoskeletal disorders:** L'Oréal Professionnel is committed to the prevention of musculoskeletal disorders. There have been more than 35,000 downloads of the app that trains hairdressers on stretches and warming exercises to prevent musculoskeletal problems (target 3.3).

**Childhood Cancer International:** The Fondation La Roche-Posay works with this NGO in 2019 to launch an international programme to support children with cancer and improve their quality of life (target 3.3).

**Operation Smile:** We are the exclusive and regular partner this Doctors of the World's humanitarian programme, which supports reconstructive surgery (target 3.3).

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## ACHIEVING GENDER EQUALITY

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At L'Oréal, we contribute to SDG 5 namely by the following actions:

**Key figures:** As of December 31<sup>st</sup> 2019, women are accounted for 70% of the total workforce, 54% of Strategy, Group and local key positions, 66% of international brand managers, 31% of Executive Committee members and 53% of Board of Directors members (target 5.5).

**External recognition:** In 2019, L'Oréal made the Top 5 in the Equileap Ranking and the top 100 Bloomberg Gender Equality Index, which both recognise the most advanced companies in terms of gender equality (target 5.1).

**Certification and label:** Since 2010, our head office in France and 23 of its countries have been awarded the GEEIS label and are audited every two years by Bureau Veritas to measure the progress achieved. Today, seven other L'Oréal entities rely on the Economic Dividend for Gender Equality (EDGE) certification process. In 2019, a total of 30 countries continued to be EDGE or GEEIS certified (target 5.1).

L'Oréal and NGO Care France: We have joined with other companies the cause to ratify a convention to serve as the leading legal protection for workers worldwide when it comes to gender-based violence and sexual harassment (target 5.2).

**United Nations' International Human Rights Day in 2019:** We kicked-off the We Can End It campaign, which underscores the aspiration and the feasibility of working together to end Human Rights violations (target 5.2).

**Women's Empowerment Principles (WEPs):** We are a signatory of the WEPs and we directly report to the 7 WEPs principles to empower women in the workplace, marketplace and community (target 5.C).

**One In Three Women network:** We are the first company to have joined the One In Three Women network in November 2018. It is the first European network of companies committed to fighting violence against women in the private sphere (targets 5.2 ; 5.3).

## REPRESENTING ENVIRONMENTAL STEWARDSHIP



At L'Oréal, we want to help address the world's environmental challenges and the SDGs listed above. Some examples of concrete actions include:

**Responsible consumption:** Today, 89% of our brands have assessed their environmental and social impact and 57% of the Group's brands have conducted a consumer awareness initiative. In 2019, the Group has improved the social and environmental profile of 85% of new or received products launched and 59% of new or renovated products (target 13.2).

**Reduction in CO2 emissions:** In 2019, L'Oréal has reduced greenhouse gas emissions by 78% for industrial sites (vs. 2005) and by 29% for administrative and research sites (vs. 2016) (target 12.2).

**Carbon neutrality:** L'Oréal achieved carbon neutrality in 51 sites in 2019, within 35 industrial sites and 16 administrative and research sites (target 9.4).

**Renewable energy:** The renewable energy consumed by sites is of 69% for industrial sites and 55% for administrative and research sites (target 7.2).

**Reduction of waste:** To preserve material resources, L'Oréal has reduced the total generation of transportable waste by 35% for industrial sites (vs. 2005) and by 29% for administrative and research sites (vs. 2016) (target 11.6).

**Reduction in water consumption:** In 2019, to preserve water resources, L'Oréal has reduced the total water consumption of sites by 51% for industrial sites (vs. 2005) and by 22% for administrative research sites (vs. 2016) (target 6.3).

**NGO Mission Blue:** Since 2012, Biotherm has been partnering with NGO Mission Blue for the protection of oceans (target 14.2).

**CDP Leadership recognition:** In 2019, our Group was awarded a triple 'A' for the fourth time consecutively. It is the highest ranking conducted by CDP on tackling climate change, deforestation and water security (target 15.1).

**Responsible sourcing:** In 2019, we replaced virgin materials with 13,204 tonnes of recycled materials (PCR) which is an increase of 52% (vs. 2018) (target 15.3). Today, 100% of supplies of palm oil or derivatives have been certified sustainable in line with RSPO criteria since 2012 and 100% of soya used by L'Oréal was certified as sustainable (target 15.2).

**The Ellen MacArthur Foundation:** We are a core member of the New Plastics Economy initiative run by the Ellen MacArthur Foundation that commits to adopting refillable, reusable, recyclable and/or compostable plastic for 100% of packaging by 2025. Today, 97% of our industrial waste is recovered and 0 industrial waste are sent to landfill (target 12.5).

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## BUILDING GOOD GOVERNANCE AND PARTNERSHIPS

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At L'Oréal, we contribute to SDG 16 and SDG 17 namely by the following actions:

**Ethics:** We have Chief Ethics Officer since 2007 and a network of Ethics Correspondents in all countries in which we operate. We have been organising an annual Ethics Day since 2009. Our Speak Up website allows all stakeholders to raise their ethical concerns (target 16.6).

**Corruption Prevention:** We have a zero tolerance policy on corruption in all the countries we operate. Our Corruption Prevention Policy in line with the United Nations Convention against Corruption of October 31st 2003 helps us applying our standards even when the local legislation provides for lower standards (targets 16.5).

**Human Rights:** We have committed to respect and promote fundamental human rights (target 16.10). Our Human Rights policy namely prohibits the hiring of staff aged under 16 (target 16.2).

**Partnerships:** We works with the International Labour Organisation, the UN Global Compact, UNESCO, UNICEF and the Danish Institute, various NGOs such as Transparency International, Care, Resurge International ,the Rainforest Alliance, Shift and the Fair Wage Network and participate in many multi-stakeholder initiatives such the Carbon Disclosure Project and the Responsible Mica Initiative (targets 17.16).

**Citizen Day:** Since 2019, we have enabled 27,600 employees across the world to support various local NGOs (target 17.17).

## Annex 2: Women's Empowerment Principles

INDICATORS	ANSWERS
<p>Achieving and maintaining gender equality in senior management and board positions &amp; in middle management positions</p>	<p>One of L'Oréal's objectives is the nurturing and the emergence of talents of women at the top level of the organisation. As of 31 December 2019, women accounted for:</p> <ul style="list-style-type: none"> <li>• 70% of the total workforce</li> <li>• 46% of expatriates</li> <li>• 54% of Strategic, Group and local key positions</li> <li>• 67% of Employees who were promoted</li> <li>• 66% of international brands are managed by women</li> <li>• 31% of Executive Committee members</li> <li>• 53% of members of the Board of Directors</li> </ul> <p>The composition of the workforce and the percentage of women in the different geographical zones is of 65% in Western Europe, 71% in North America and 72% in new markets. L'Oréal chose to have gender equality of its practices and policies audited.</p> <p>Today, the Group relies on two independent organisations to measure and evaluate the situation of each subsidiary: Gender Equality European &amp; International Standard (GEEIS) and Economic Dividend for Gender Equality (EDGE). Since 2010, the Group's head office in France and 23 of its countries have been awarded the GEEIS label, and are audited every two years by Bureau Veritas to measure the progress achieved. Today, seven other L'Oréal entities rely on the Economic Dividend for Gender Equality (EDGE) certification process. The subsidiaries are audited by FloCERT or Intertek to be certified. In 2019, a total of 30 countries continued to be EDGE or GEEIS certified.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Universal Registration Document p188 ; p201</a></li> <li>• <a href="#">L'Oréal Diversity and Inclusion Key Figures 2019</a></li> </ul>



## Annex 2: Women's Empowerment Principles

INDICATORS	ANSWERS
Equal pay for work of equal value	<p>L'Oréal aims for zero gender pay gap. Since 2007, L'Oréal has collaborated with the INED (National Institute for Demographic Studies), which analyses the differences in pay in the Company in all professional categories. The aim is to guarantee identical pay for people with the same level of skills and the same classification. Overall, the median gender pay gap in France narrowed from 10% to 0% between 2007 and 2019. In 2019, the INED also completed an analysis of the 2018 pay spread in the following subsidiaries: Brazil, China, Germany, United Kingdom, Ireland, Nordic countries (Denmark, Finland, Sweden), United States, India, Italy, Spain, Russia, Mexico, and Canada, which represent 70% of the total L'Oréal workforce.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Universal Registration Document p201</a></li> <li>• <a href="#">L'Oréal Diversity and Inclusion Key Figures 2019</a></li> </ul>
Flexible work options	<p>The Group has made flexible work time a key component of the 'Enjoy' pillar of the L'Oréal Share &amp; Care programme as a key element of its appeal. The second stage in the L'Oréal Share &amp; Care programme, which was launched in January 2017 for the period 2017-2020, is reinforcing these aspects even further, particularly telecommuting and flexible working hours. At the end of 2019, 58 of the 66 subsidiaries of the Group had established telecommuting policies and 55 subsidiaries had set up flexible working schedules.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Universal Registration Document p. 195-197</a></li> </ul>
Access to child and dependent care	<p>Local initiatives have been implemented to address child and dependent care issues, such as working time arrangements and paid leave. For example, several major subsidiaries such as Sweden, USA, and UK, have already expanded their paid maternity and other new parent</p>


## Annex 2: Women's Empowerment Principles

INDICATORS	ANSWERS
	<p>(fathers and co-parent) leave beyond the minimum 14-week maternity and 10-day other new parent paid leave policies set by L'Oréal's Share &amp; Care programme.</p>
<p>Support for pregnant women and those returning from maternity leave</p>	<p>In order to eliminate the negative effects that maternity leave and parenthood can have on women's careers numerous initiatives have been implemented. The L'Oréal Share &amp; Care Program is namely quite unique because it aims to ensure that women working at L'Oréal can benefit from a minimum of 14 weeks maternity leave with full pay. The Group ensures that women on maternity leave also benefit from salary increases equivalent to those they would have received had they been present in the company.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Universal Registration Document p195</a></li> </ul>
<p>Recruitment and retention, including training and development, of female employees</p>	<p>Achieving real gender equality at all levels and across all functions is a key challenge for the Company. The Group therefore ensures that all jobs are accessible to women and men, both at the level of recruitment and with regard to opportunities for career development. Special attention is given to pivotal periods such as parenthood.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Universal Registration Document p201-202</a></li> </ul>

## Annex 2: Women's Empowerment Principles

INDICATORS	ANSWERS
Education and training opportunities for women workers	<p>Women working at L'Oréal benefit from the same education and training opportunities as men. In 2019, 70% of women Employees benefited from training.</p> <ul style="list-style-type: none"> <li>• <a href="#">L'Oréal Diversity and Inclusion Key Figures 2019</a></li> </ul>
Creating and maintaining workplace awareness of gender equality and, inclusion and non-discrimination for all workers	<p>L'Oréal trains its employees on diversity and inclusion by organising regular Diversity Training Workshops. At the end of 2019, over 42,000 employees had participated in these sessions. Moreover, other leadership programs oriented towards the Group's top managers and HR leaders have incorporated modules on diversity and inclusive management.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Universal Registration Document p202</a></li> <li>• <a href="#">L'Oréal Diversity and Inclusion Key Figures 2019</a></li> </ul>
Mentoring and sponsorship opportunities for women workers	<p>Since 2010, L'Oréal has also been a committed player in the annual EVE programme, an initiative led by the Danone Group, aimed at helping women to be agents of change in their business and to develop their leadership and careers. Since the programme's inception, more than 570 of the Group's employees, both men and women, have taken part in this programme. The Group worked to go further by partnering with Danone to create versions of the programme in Asia in 2014 (EVE Asia-Pacific), and Africa (EVE Africa) since 2017.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Universal Registration Document p202</a></li> </ul>

## Annex 2: Women's Empowerment Principles

INDICATORS	ANSWERS
<p>Other established or emerging best practices</p> 	<p>In November 2018, L'Oréal was the first company to join the One In Three Women network, the first European network of companies committed to fighting violence against women in the private sphere. One In Three Women is an initiative launched by the Fondation Agir Contre l'Exclusion (FACE) and the Kering Foundation in November 2018 under the patronage of the Minister for Equality between Women and Men and the Fight Against Discrimination. Its aim is to create and test modules to combat violence against women and to support the employees concerned, through specialised NGOs.</p> <p>Concrete actions were taken in 2019, such as:</p> <ul style="list-style-type: none"> <li>• An international inter-company study to measure the impact of these acts of violence for the Company. A total of more than 10,500 employees in five of our European subsidiaries (UK, Belgium, France, Italy, Germany) were asked to respond to the survey as part of this study;</li> <li>• Awareness sessions to better understand domestic violence and its impact on work. Over 100 employees in France participated in the survey;</li> <li>• Awareness kits for employees (posters, useful numbers, first recommendations, etc.);</li> <li>• Events intended to mobilise and inform in the subsidiaries in question.</li> </ul> <p>Another best practice, launched in 2018, is the #StOpE initiative fighting to end "ordinary" sexism in the workplace. Led by L'Oréal France with AccorHotels and EY, 30 companies and organisations were brought together to sign a commitment under the patronage of the French Minister for Equality between Women and Men and the Fight Against Discrimination. In 2019, these companies and organisations rolled out at least one of the eight priority actions identified and selected at the end of the work of a group of 100 representatives from the companies mobilised. In 2019, more than 20 new companies joined this commitment.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Universal Registration Document p201</a></li> </ul>

## Annex 2: Women's Empowerment Principles

INDICATORS	ANSWERS
Supplier diversity Programme	<p>Because a company's purchasing power is an economic development and societal impact factor, L'Oréal has decided to make its purchases a novel way of promoting social inclusion. The Group thus created a global solidarity purchasing Program in 2010 known as Solidarity Sourcing.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Sharing Beauty With All Progress Report p21</a></li> <li>• <a href="#">2019 Registration Document 1.3.2. p43</a></li> </ul>
Composition of supplier base by sex	This information is not yet available.
Support for women business owners and women entrepreneurs	<p>L'Oréal USA supports Women Owned Business, representing more than 100 full time Employees on 4 projects on various domains such as packaging marketing &amp; business services. Discussions started in 2018 for L'Oréal to join WEConnect International who became signatories in mid-2019. WEConnect International is a corporate-led global non-profit that supports, empowers and promotes women-owned businesses based in over 115 countries (outside of the US) through corporate inclusive sourcing efforts, including local certification and support in 45 countries.</p>
Supplier monitoring and engagement on women's empowerment and gender equality including promotion of the Women's Empowerment Principles to suppliers	<p>Social audits of suppliers namely cover discrimination, sexual harassment and hostile working environment.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Registration Document 4.3.1.3.2 p170</a></li> </ul>

## Annex 2: Women's Empowerment Principles

INDICATORS	ANSWERS
Gender-sensitive marketing	<p>The L'Oréal Code of Ethics prohibits the undermining of human dignity in advertising or the presentation of degrading feminine stereotypes. It also addresses the growing concern about eating disorders amongst young women and the growing debate about the early sexualisation of young children.</p> <ul style="list-style-type: none"> <li>• <a href="#">L'Oréal Code of Ethics</a></li> <li>• <a href="#">2019 Registration Document 3.3.3.5. p215</a></li> </ul> <p>Diversity in women's beauty was the star of the show during L'Oréal Paris 2018 annual fashion show on a specially designed 60-meter floating runway on the river Seine in central Paris. Amongst the models was Marie Bochet, Paralympic ski champion and L'Oréal Paris's new ambassador, in her runway début.</p> <ul style="list-style-type: none"> <li>• <a href="#">Celebrating inclusivity at "Le Défilé L'Oréal Paris" on the Seine</a></li> </ul>
Gender-sensitive product and service development	<p>L'Oréal offers a wide range of products dedicated to men and women. In 2018, one of the L'Oréal group's iconic brands, Cacharel, designed it's "Yes I Am" parfum for a new generation of women for whom gender equality and equal rights are self-evident. These girls are part of a Yes I Am is a celebration of assertiveness and independence.</p> <ul style="list-style-type: none"> <li>• <a href="#">Yes I Am: women's empowerment by Cacharel</a></li> </ul>

## Annex 2: Women's Empowerment Principles

INDICATORS	ANSWERS
<p>Other established or emerging best practices</p>	<p>During the 2018 Cannes Film Festival, L'Oréal Paris decided to open up a conversation about women's empowerment to bring women's voices to all and unveil the women behind the actresses, with their stories, their triumphs and the obstacles on the way to feeling worth it.</p> <ul style="list-style-type: none"> <li>• <a href="#">L'Oréal Paris gives voice to women with the Worth It Show, live from the Cannes Film Festival</a></li> </ul> <p>By partnering with the humanitarian organization CARE to launch the Write Her Future programme on three continents simultaneously,</p> <p>Lancôme is taking a stand against illiteracy among young women worldwide. The two partners are concentrating their initial efforts in Morocco, Thailand and Guatemala.</p> <p>Accompanying these efforts on the ground, on February 20 Lancôme launched «Write your name so She Can Write her Future," a massive awareness-raising campaign on social media.</p> <p>To boost the campaign's profile, the brand has called on its ambassadresses, including Julia Roberts, Kate Winslet, and Penélope Cruz, who have agreed to put their names to the cause.</p>

## Annex 2: Women's Empowerment Principles

INDICATORS	ANSWERS
<p>Gender impact assessments or consideration of gender-related impacts as part of its social and/or Human Rights impact assessments</p>	<p>Ongoing Human Rights due diligence is based on Verisk Maplecroft™ indexes namely with regards to non-discrimination.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Registration Document 2.8.4.3.2. p112</a></li> </ul>
<p>Ensuring female beneficiaries of community Programmes</p>	<p>The Group's diversity and inclusion policy is also reflected outside the Company: L'Oréal takes the same approach to its suppliers, consumers, local communities, NGOs and associations dedicated to inclusion on each continent. Two-thirds of the beneficiaries of the Group's Solidarity Sourcing Program are women. A total of 38,596 beneficiaries come from 29 projects specifically related to the emancipation of women in 14 countries, with the support of 10 association and NGO partners. These Solidarity Sourcing projects support the following women: producers of raw materials such as shea and argan grown and harvested in accordance with fair trade principles; hailing from various vulnerable local communities, or who have assumed positions usually reserved for men; beneficiaries through support for Women-Owned Businesses; single mothers; military wives; victims of violence. Other than agricultural professions, these projects concern a wide range of industrial activities and services: production, assembly, logistics, sales, marketing, digital and construction.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Registration Document 3.3.3.4. p214</a></li> <li>• <a href="#">Sustainability packaging, a key commitment for the L'Oréal Group</a></li> </ul>



## Annex 2: Women's Empowerment Principles

INDICATORS	ANSWERS
<p>Community initiatives specifically targeted at the empowerment of women and girls</p>	<p>As part of its Beauty for a Better Life Program, in partnership with local NGOs, the L'Oréal Foundation trains women in very difficult social or economic situations about the beauty industry (hairdressing and make-up), in order to help them to find employment.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Registration Document 3.3.3.5. p215</a></li> </ul> <p>Since 2012 L'Oréal Paris organises in collaboration with the magazine "ELLE" the forum ELLE Active that is dedicated to female workers and women empowerment.</p> <p>Each year, L'Oréal Paris awards, through its Women of Worth Programme in the United States, 10 exceptional women with \$25,000 to support their efforts to serve their communities.</p> <p>At 2nd annual Women4Climate conference, 10 young women climate leaders were selected to be part of Mexico City's Women4Climate Mentorship Program.</p> <p>After successful pilot programs in Paris and now in Mexico City, Montreal and Vancouver will launch their own Women4Climate Mentorship Programs to celebrate and support local female leadership on climate in their cities. Mentorship Programs will also be launched in the cities of Durban and Quito.</p> <ul style="list-style-type: none"> <li>• <a href="#">L'Oréal News</a></li> </ul>
<p>Strategies to ensure that community investment projects and programs (including economic, social and environmental) positively impact women and girls.</p>	<p>See above</p>

## Annex 2: Women's Empowerment Principles

INDICATORS	ANSWERS
Achieving and maintaining gender equality in senior management and board positions	<p>As of December 31st, 2019, 53% of Board members, 30% of L'Oréal's executive committee members and 66% of international brand managers are women.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Universal Registration Document p187</a></li> <li>• <a href="#">L'Oréal Diversity and Inclusion Key Figures 2019</a></li> </ul>
Achieving and maintaining gender equality in middle management positions	<p>Women account for 70% of the Group's total workforce:</p> <ul style="list-style-type: none"> <li>• 64% of managers</li> <li>• 46% of expatriates in place</li> <li>• 66% of international brands are managed by women</li> </ul> <ul style="list-style-type: none"> <li>• <a href="#">2019 Universal Registration Document p187</a></li> <li>• <a href="#">L'Oréal Diversity and Inclusion Key Figures 2019</a></li> </ul>
Equal pay for work of equal value	<p>This indicator is not consolidated at Group level. Overall, the median gender pay gap in France narrowed from 10% to 0% between 2007 and 2019. In 2019, the INED completed a pay gap analysis of the 2018 pay spread in the following subsidiaries: Brazil, China, Germany, United Kingdom, Ireland, Nordic countries (Denmark, Finland, Sweden), United States, India, Italy, Spain, Russia, Mexico, and Canada, which represent 70% of the total number of L'Oréal employees.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Universal Registration Document p201</a></li> <li>• <a href="#">L'Oréal Diversity and Inclusion Key Figures 2019</a></li> </ul>

## Annex 2: Women's Empowerment Principles

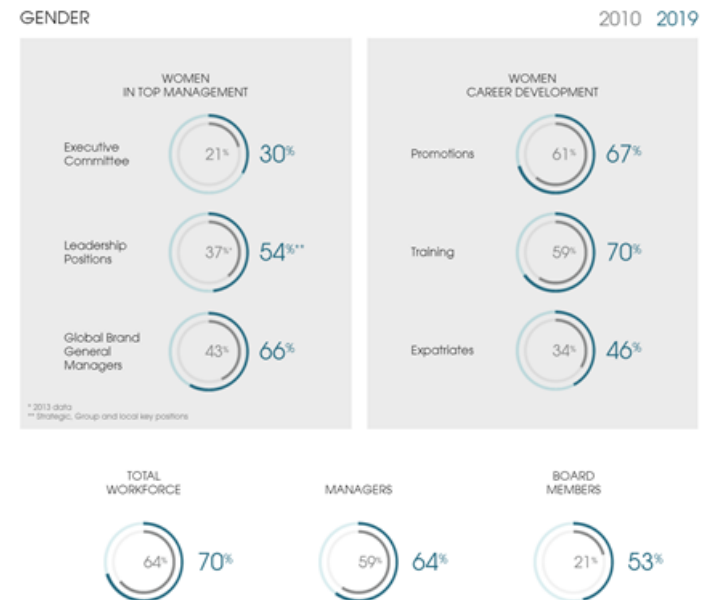
INDICATORS	ANSWERS
Recruitment and retention, including training and development, of female employees	<p>In 2019, 75% of Employees hired were women. 67% of employees who had a promotion were women.</p> <ul style="list-style-type: none"> <li>• <a href="#">L'Oréal Diversity and Inclusion Key Figures 2019</a></li> </ul>
Education and training opportunities for women workers	<p>In 2019, 70% of Employees trained were women.</p> <ul style="list-style-type: none"> <li>• <a href="#">L'Oréal Diversity and Inclusion Key Figures 2019</a></li> </ul>
Creating and maintaining workplace awareness of gender equality and, inclusion and non-discrimination for all workers	<p>L'Oréal's Employees take part in a 1 day in class training on diversity &amp; inclusion in order to raise awareness on the topic. As of 31st December 2019, over 42,000 Employees have taken part in such workshops.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Universal Registration Document p202</a></li> <li>• <a href="#">L'Oréal Diversity and Inclusion Key Figures 2019</a></li> </ul>
Mentoring and sponsorship opportunities for women workers	<p>As of 2019, 570 Employees have participated in the EVE Program with cohorts in Europe, Africa, and Asia-Pacific.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Universal Registration Document p202</a></li> </ul>

## Annex 2: Women's Empowerment Principles

### INDICATORS

Other established or emerging best practices

### ANSWERS



INDICATORS	ANSWERS
Actions to support LGBTI employees	<p>L'Oréal supports the voluntary creation of LGBTI support groups by Employees. For example, L'Oréal USA leverages employee resource groups to drive employee engagement, contribute to business results and provide support efforts to give back to underrepresented communities.</p> <p>Their LGBTQI employee resource group, OUT@L'Oréal, was launched in 2017. These efforts have resulted in being named "a Best Place to Work for LGBTQ employees" and obtaining a 100 on the Human Rights Campaign Corporate Equity Index.</p> <p>L'Oréal Mexico is creating a safe space and positive work environment for LGBTI employees with their FREE TO BE project. To date, they have created an LGBTI employee resource group, joined a business coalition for LGBTI inclusion, and participated in the Pride Parade.</p>
Grievance mechanisms include treatment of LGBTI harassment	<p>L'Oréal's Speak Up Policy enables Employees to report discrimination and harassment, namely via a secure Internet site (Ethics whistle-blowing line) directly to the Senior Vice-President and Chief Ethics Officer.</p> <p>All reports are thoroughly investigated. In a spirit of transparency, each year, Employees are informed of the total number of concerns raised with regards bullying, sexual harassment and discrimination and the types of measures taken.</p>
Consideration of LGBTI impacts as part of its social and/or Human Rights impact assessments	<ul style="list-style-type: none"> <li>• <a href="http://www.lorealsspeakup.com">www.lorealsspeakup.com</a></li> </ul> <p>L'Oréal has carried out a risk mapping of countries where LGBTI rights are restricted using namely the Verisk Maplecroft™ indexes and the International LGBTI Association ("ILGA") mapping.</p>

INDICATORS	ANSWERS
Including positive messaging on members of the LGBTI community in marketing campaigns	Where appropriate, L'Oréal includes positive messaging on members of the LGBTI community in marketing campaigns. For example, L'Oréal Paris True Match Foundation campaign included transgender model, Hari Nef and male model Darnell Bernard.
Support of LGBTI organisations/NGOs	<p>L'Oréal has been one of the sponsors of the UN Global LGBTI Standards of Conduct for Business since 2018. Established by the Office of the United Nations High Commissioner for Human Rights, these standards are designed to guide businesses in the fight against discrimination against lesbian, gay, bisexual, transgender and intersex (LGBTI) people.</p> <p>L'Oréal USA again received the maximum grade of 100 on the 2019 Corporate Equality Index of the Human Rights Campaign Foundation, which reflects its commitment to the equality of people from the LGBTI community within the Company.</p> <p>Certain L'Oréal subsidiaries have also decided to support LGBTI organisations/NGOs. For example, L'Oréal SA, the Group's parent company, supports “L'Autre Cercle”, the leading French company network on LGBTI rights.</p> <p>L'Oréal Mexico is part of the PRIDE CONNEXION, a group of companies that are fighting discrimination against LGBTI people.</p> <ul style="list-style-type: none"> <li>• <a href="#">2019 Universal Registration Document p202</a></li> </ul>
Other established or emerging best practices	The genderless makeup brand Jecca, inspired by the transgender community, which was recently invited onto the L'Oréal Open Innovation program is another example.

# L'ORÉAL

Incorporated in France  
as a “Société Anonyme”  
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