

L'ORÉAL

Norwegian Transparency Act
L'Oréal Norge AS
Org. No. 954 790 088

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1. L'Oréal Norge AS

L'Oréal Norge AS is a distributor within the Norwegian cosmetics industry. L'Oréal Norge AS has its office at Lysaker in Bærum, Norway.

L'Oréal Norge AS is part of the L'Oréal Group, which respects all internationally recognised Human Rights and Fundamental Freedoms and has adopted due diligence measures intended to prevent the risk of serious adverse impacts on Human Rights and Fundamental Freedoms.

The present document is published in accordance with Section 5 of the Norwegian Transparency Act:

"The account shall be made easily accessible on the enterprise's website and may form part of the account on social responsibility pursuant to Section 3-3 (c) of the Accounting Act. The enterprises shall in annual reports inform of where the account can be accessed.

The account shall be updated and published no later than 30 June of each year and otherwise in case of significant changes to the enterprise's risk assessments. It shall be signed in accordance with the rules in Section 3-5 of the Accounting Act".

The content of this document and the actions herein mentioned is part of a continuous improvement process. With this purpose a Committee dedicated to the Transparency Act is created. It is in charge of regularly assessing the risks analysis, the due diligences to be implemented and the results obtained. It is composed by the following functions: Purchasing, Ethics, Human Rights, Legal. It will account its conclusions and improvement proposals to the executive committee of L'Oréal Norge AS. The modifications to the present document will be submitted for approval to the Board of Directors of L'Oréal Norge AS.

2. Human Rights

Respecting Human Rights and decent working conditions

Each year L'Oréal renews its commitment to the United Nations Global Compact each year. These commitments are also set out in the Group's Code of Ethics and the Human Rights and Employee Human Rights Policy applicable to all L'Oréal's subsidiaries.

L'Oréal's commitment to Human Rights is based in particular on the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the Fundamental Conventions of the International Labour Organization.

The international community, through the United Nations, agreed on 30 Human Rights, including the right to life, liberty and security, but also some basic social and economic rights, such as the right to fair and favourable conditions of work, and to living wages.

The international sustainability programme of the Group, L'Oréal for the Future program, includes a demanding commitment ensuring that all employees of strategic suppliers are paid at least the level of a "living" wage by 2030. Calculated by region and aligned with the best local practices, these new standards must allow employees to cover their basic needs and those of their family for decent housing, food, education and any other needs. In many countries, this "living" wage goes beyond the legal minimums.

Human Rights Commitments

L'Oréal Norge AS, as all L'Oréal's subsidiaries must comply with the applicable local legislation and the minimum common core of the rules in order to prevent the risk of serious adverse impacts on Human Rights and fundamental freedoms. When local laws and/or the internal rules of Subsidiaries provide more stringent standards than L'Oréal rules, such standards must take precedence. If, however, the L'Oréal rules provide for stricter standards, these take precedence unless they result in an unlawful activity. In the event of contradictions between local laws and internationally recognised Human Rights, L'Oréal works to comply with these international standards.

Human Rights at every level of the supply chain

A Vigilance Plan, published according to French law as applicable to the parent company of the Group, contains due diligence measures intended to prevent the risk of serious adverse impacts on Human Rights and Fundamental Freedoms within the framework of a best-efforts obligation. It applies to L'Oréal, the parent company of the Group, and to the subsidiaries controlled directly or indirectly by L'Oréal (see pages 128 to 140 - section 3.4. Vigilance Plan), including L'Oréal Norge AS.

Beyond the risk assessment of the Group, our commitment is to assess the local risk at every level of the value chain and progressively deploy a related action plan.

In 2017, L'Oréal Group adopted our global Human Rights Policy, in line with UN standards:

[l-oreal-human-rights-policy.pdf \(loreal.com\)](#)

Employee Human Rights Policy

In 2020, L'Oréal Group launched our Employee Human Rights Policy, because setting an example starts from within, by assuring universal social standards for the people who make up L'Oréal:

[employee-human-right-policy.pdf \(loreal.com\)](#)

2.1 Human Rights Policy

2.1.1 A commitment of the entire organization

L'Oréal's commitment to human rights is based in particular on the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the Fundamental Conventions of the International Labour Organization. The Chief Corporate Sustainability Officer, a member of the Executive Committee, is responsible for overseeing the respect of human rights and fundamental freedoms in the Group. This mission has been entrusted to her by L'Oréal's Chief Executive Officer, to whom she reports. She chairs the Group's Human Rights Committee. She relies on a dedicated team of Human Rights experts and has a budget to carry out her work. The Group's Human Rights commitments are rolled out across all markets through a network of Human Rights Correspondents. L'Oréal's Human Rights Committee is composed of representatives from the various Zones, activities and departments (including Purchasing, HR, CSR, Safety, Security, etc.). It is responsible for coordination and exchange on the implementation of the Group's Human Rights Policy. Its primary objective is to facilitate the emergence of a human rights culture within the Group.

In order to best address the human rights issues mentioned in the Transparency Act, L'Oréal has structured its Human Rights Policy around employees and suppliers. L'Oréal has been a member of the United Nations Global Compact since 2003 and is committed to respecting all internationally recognized human rights. This commitment is supported each year at the highest level of the company

by its Chief Executive Officer and by the Chief Sustainability Officer. L'Oréal has set itself ambitious goals in respect of human rights, through the various internal or public documents described below.

Code of Ethics	L'Oréal's commitments to respecting and promoting Human Rights, with reference in particular to the 1948 Universal Declaration of Human Rights and the 2011 United Nations Guiding Principles on Business and Human Rights.
Human Rights Policy	L'Oréal's commitments to its stakeholders, particularly its consumers and civil society, describing the way in which these commitments are fulfilled in practice.
Employee Human Rights Policy	A specific policy launched in 2020 by which the Group undertakes to respect a base of universal Human and Social Rights for its employees, regardless of their position or location worldwide.
"The Way we work with our Suppliers" Guide	A practical guide intended to specify the Group's standards and to help employees handle situations that they might encounter in the performance of their duties in relationships with suppliers. This Guide was updated in 2022.
Mutual Ethical Commitment Letter	Published in 2021, replacing the Ethical Commitment Letter, this document specifically contains the Human Rights standards the Group expects its suppliers to uphold.
Code of Ethics "Suppliers/Subcontractors and Child Labour"	Description of the main commitments concerning child labour by suppliers/subcontractors.
L'Oréal's Influencer Value Charter	L'Oréal does not work with influencers under the age of 16 or the legal contractual age.
Employee evaluation system	In the annual appraisal system for all employees, overall performance includes the employee's achievements in compliance with the Code of Ethics and the Group's ethical principles.
Speak Up policy	Since 2008, L'Oréal's Speak Up policy has enabled employees to report serious violations of Human Rights and Fundamental Freedoms, health and safety of people and respect for the environment, notably via the Group's ethics whistleblowing channel (www.loreal-speakup.com), which falls under the remit of the Chief Ethics, Risk and Compliance Officer. This has been available to all of the Group's stakeholders since 2018.
An annual ethics reporting system	The system is used to monitor the implementation of the Ethics and Human Rights programme. The subsidiaries are informed of their potential areas for improvement by the Global Ethics, Risk & Compliance Department. 100% of the subsidiaries completed their annual ethics reporting in 2022.
Procedures for prospective acquisitions	When prospective acquisitions are being considered, L'Oréal submits an Ethics and Human Rights questionnaire to target companies. This procedure is intended to identify how they have taken into account risks related, amongst other things, to breaches of Human Rights (abolition of child labour and forced labour, etc.).

Raising employee awareness

Ongoing communication	The Group's Human Rights policy and Employee Human Rights Policy are communicated to all Group employees. The Chief Ethics, Risk & Compliance Officer regularly visits the Group's entities all over the world to meet employees at all levels of the Company. 100% of the subsidiaries have communicated on at least one Human Rights subject ⁽³⁾ .
Training	Specific training is being rolled out for the Management Committees. <ul style="list-style-type: none"> • A specific, compulsory e-learning course on Ethics, covering certain Human Rights topics, is currently being rolled out in all subsidiaries. As at 31 December 2022, 87% of the employees with access to the training had completed this course. • In 2022, 103 purchasers were trained in responsible purchasing practices. This training is compulsory for any new purchaser. 100% of the Group's subsidiaries included issues related to Human Rights in their local training programme.

The full detailed actions and risk procedure is published in the annual report of the L'Oréal Group:

[LOREAL DEU 2022 PRODUCTION UK \(loreal-finance.com\)](http://loreal-finance.com)

3. L'Oréal Norge AS actions towards the Norwegian Transparency Act

The procedures and actions mentioned above and in the annual report of the L'Oréal Group apply to L'Oréal Norge AS, a company with more than 110 employees and with a total revenue higher than 1.2 billion NOK.

In the previous paragraphs it was mentioned that L'Oréal Norge AS is a distributor which belongs to the L'Oréal Group, which has, as elaborated, a very extensive Human Rights Policy in place on all elements of the value chain.

So, concretely what does that mean for L'Oréal Norge AS? First, as with other group entities our employees are trained on the Employee Human Rights policy as well as the Group Policy 'The way we trade' on our relationships with our suppliers. Secondly, in the case of L'Oréal Norge AS all our Finished Goods are acquired from L'Oréal Danmark A/S, which in turn acquires it from group entities that are bound to the group policies as described in the Group Vigilance Plan. Third, for the limited number of local suppliers, L'Oréal Norge AS requires the mutual ethical letter to be signed before a relationship can be established. This mutual ethical letter requires adheres to L'Oréal's requirements on the following topics:

- Respect of local laws
- Prevention of Child Labour
- Prevention of Force/Bonded Labour
- Health & Safety measures
- Requirements on working conditions
- Non-discrimination
- Freedom of Association and Collective Bargaining
- Environmental Stewardship
- Animal welfare
- Business Integrity
- Supply Chain

<https://www.loreal.com/en/articles/commitments/loreal-mutual-ethical-commitment-letter/>

If the supplier provides any products or services indicated within the Vigilance Plan an audit will be performed before the relationship can take place. Depending on the outcome several actions are taken to ensure compliance with the extensive ethical standards of the company and engagement with stakeholders.

L'Oréal Norge AS has conducted assessments of its Norwegian operations and interviewed so far one main partner. At this stage, to our knowledge, we have not yet identified risks to the Norwegian operations under the Transparency Act.

The Group's Speak Up Policy is implemented in Norway. Under this Policy, employees can make a Speak Up (whistleblowing) report. The employees in Norway are represented in the Working Environment Committee (AMU). To date, the working environment and working conditions appear satisfactory.

29 June 2023

The Board of L'Oréal Norge AS

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Chairman of the Board

Member of the Board

Member of the Board