

# Speak Up Reports Management Policy

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2023



The French version is the reference document in French-speaking countries.  
The English version is the reference document in other countries.

# Foreword

At L'ORÉAL, we act with the highest ethical standards as part of our goal to set an example and make lasting commitments.

These commitments are explained in our Code of Ethics.

It is important for all our employees and stakeholders to behave in an exemplary manner and in a way that reflects our Ethical Principles: **Integrity**, **Respect**, **Courage** and **Transparency**.

We encourage our employees and all our stakeholders to report any concerns they may have about compliance with these commitments in order for us to take any necessary corrective action.

The Speak Up policy enables employees and stakeholders to make a Speak Up (whistleblowing) report, in accordance with applicable legal provisions, and in particular with the « Sapin II » and « Duty of vigilance » laws in France.

For this purpose, it is essential that L'ORÉAL employees and stakeholders have access to a secure and efficient internal reporting channel that provides them with all the necessary confidentiality guarantees.

These guarantees allow them to highlight any potential breaches of our ethical rules, as well as any threat or harm to public interest.

Local versions of this Group policy may exist in order to take into account the specific legal requirements of the countries in which we operate.

There may be instances where this Group policy differs from the applicable local law.

In this case, it is agreed that the rules that best protect the reporter shall prevail and apply, whether they are stipulated in the local legislation or this policy.

When applicable local laws provide broader safeguards than those provided by this policy, local law shall apply.

L'Oréal's Ethics, Risk and Compliance Department (hereinafter «DERC») is the Group's permanent point of contact with regards to the management of reports and the conduct of ethical investigations.

In this document, «L'ORÉAL» refers to L'ORÉAL SA, all subsidiaries and companies controlled by the L'ORÉAL Group worldwide, as well as the L'ORÉAL Foundation.

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# PART I.

## CONDITIONS OF ADMISSIBILITY AND MAKING A SPEAK UP REPORT

### A. Conditions of admissibility of a Speak Up report

#### 1. People who can make a Speak Up report

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For the purposes of this policy, a reporter is any individual authorized to submit a Speak Up report. This may include:

- A L'ORÉAL employee who is currently working or who has worked for L'ORÉAL in the past, regardless of the nature of their employment contract;
- A person who has applied for a job at L'ORÉAL, or a future employee whose employment relationship has not yet begun;
- A shareholder, partner or holder of voting rights at L'ORÉAL's Annual General Meetings;
- A L'ORÉAL company representative, member of the board of Directors of the L'ORÉAL Group or its entities, including present or past non-executive members;
- Occasional partners, including temporary staff, interns and volunteers, as well as anyone working under the supervision and management of L'ORÉAL contractors or subcontractors;
- L'ORÉAL's external partners (suppliers, subcontractors, service providers, associations, etc.);
- Customers and consumers of products.

#### 2. Conditions regarding reporter protection

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This policy provides reporters with the means to make a Speak Up report via the internal channels implemented by this policy, as well as confidentiality guarantees, provided that they meet the following conditions:

- A Speak Up report must be made without any direct financial counterpart.
- A Speak Up report is made by an individual who has had personal knowledge of the facts or to whom the facts have been reported in the course of their professional activity.
- A Speak Up report must be made in good faith. A Speak Up report is considered to be made «in good faith» when its reporter provides information which they believe is comprehensive, fair and accurate, allowing them to reasonably believe in the truthfulness of the information given, even if it later appears that they were mistaken. If, after having made a Speak Up report, a reporter realises that they were mistaken, they must immediately inform the person to whom they made their Speak Up report.

Reporter protection is extended to:

- Facilitators (i.e. any individual or private, non-profit legal entity that helps the reporter make a Speak Up report);
- Individuals associated with the reporter (i.e. anyone who could, in the course of their professional activities, suffer retaliation from the employer, their customer or the recipient of their services) and;
- Legal entities the reporter works for or with which they have a professional relationship or which they control.

### 3. Facts that may be reported

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A Speak Up report is a disclosure of:

- Suspected, actual or proven breaches (or attempts to conceal such breaches) of the Group's Code of Ethics, any Group compliance policy or ethical policy;
- A criminal activity (i.e. a crime or an offence);
- A breach of the national law or regulations, a law of the European Union or a unilateral act by an international organisation;
- A situation that may pose a threat to or harm public interest;
- A violation or risk of violation of human rights and fundamental freedoms;
- A breach or risk of breach to people's health and safety or the environment;
- The deliberate concealment of any of the above matters;
- Retaliation for making a Speak Up report or being involved in the handling of it.

A Speak Up report must concern facts related to L'ORÉAL's activities, which have already occurred or are likely to occur.

Concerns not covered by the above definition shall not be considered as Speak Up reports under this policy. These concerns can be shared through the reporter's usual contacts (i.e. L'ORÉAL management, Human Resources, etc.).

**The main issues that may be reported as per the present policy include:**

#### **Human rights and fundamental freedoms:**

For example: Child labour, forced labour (including modern slavery), sexual harassment (including sexist comments), bullying and harassment, discrimination (including racist, anti-Semitic or homophobic comments), human rights breaches within our supply chain, etc.

#### **Health, safety and security of individuals:**

For example: Non-compliance with designated measures for promoting a healthy workplace (including internal requirements for handling hazardous products), the absence of emergency procedures, unsafe working conditions in the supply chain, the management of epidemics and unsafe situations (such as the lack of safety equipment or procedures in a factory), etc.

#### **The environment:**

For example: Pollution of air, soil, surface or groundwater, pollution during the transport of hazardous substances, release of toxic substances, deforestation, etc.

#### **Economic and financial interests:**

For example: Conflicts of interest, private or public corruption, influence peddling, internal or external fraud, procurement fraud, breaches of antitrust rules or international economic sanctions, money laundering, embezzlement, disclosure of sensitive information, misuse of corporate assets, etc.

### The Group's Code of Ethics:

For example: any allegation concerning behaviour that does not comply with L'Oréal's ethical commitments, likely to affect its stakeholders or L'ORÉAL's reputation.

### Retaliation related to a Speak Up report:

This issue is dealt with in more detail and examples are given in Part II.C.2. of this document.

## B. Making a Speak Up report

### 1. Practical reporting arrangements

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Anyone who wishes to make a Speak Up report may bring it to the attention of the DERC via:

- The secure L'ORÉAL Speak Up website: [www.lorealsspeakup.com](http://www.lorealsspeakup.com).  
A Speak Up report is then sent directly to the DERC which will appoint someone to handle the matter.
- An authorised person, i.e. a member of the Group's Executive Committee or a Group/Zone/Country Management Committee, a country Managing Director or an Ethics Correspondent (hereafter "EC"). The authorised persons inform their Ethics Correspondent of any Speak Up report they receive to allow the latter to centralise all Speak Up reports received locally and, if necessary, inform the DERC.
- Depending on local legislation, it may be possible for other internal contacts to accept reports as part of their duties, (for example, in France: staff representatives, sexual harassment referent, members of the Work Council, etc.) or for other internal reporting channels to be implemented (for example, generic email address or call center).
- External stakeholders can make a Speak Up report through their main contact at L'ORÉAL.

Anyone who is not an authorised person who receives information which could constitute a Speak Up report must inform the DERC or its Ethics Correspondent or ask the reporter to contact directly the DERC or its representatives.

Only the DERC or its representatives (i.e. Ethics Correspondents, other Group employees specifically designated by it, or external experts approved by it), are eligible to handle Speak Up reports and conduct an analysis or investigation if necessary.

In accordance with legal requirements, these internal channels guarantee that the identity of the reporter, the people referred to in a Speak Up report and any third party mentioned in a Speak Up report are kept strictly confidential, as well as any other information collected by recipients of a Speak Up report.

The reporter may submit their Speak Up report in writing, orally or both.

An oral Speak Up report can be made by telephone, any messaging system or during a physical meeting. At the reporter's request, a physical meeting or video conference shall be arranged no later than 20 days after their request.

The oral Speak Up report shall then be documented in minutes drafted by the authorised person and forwarded to the reporter for approval.

The system presented by this policy is complementary to reporting channels that exist outside the company. Although L'ORÉAL strongly recommends using this system, the reporter will not be subject to any retaliatory action if they choose to make a Speak Up report through an external reporting channel.

If in doubt about the procedure to follow to make their Speak Up report, the employee can seek advice from their line manager or the Human Resources Department.

## 2. Making an anonymous Speak Up report

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L'ORÉAL allows Speak Up reports to be made anonymously.

The secure L'ORÉAL Speak Up website ([www.lorealsspeakup.com](http://www.lorealsspeakup.com)) preserves such anonymity.

In this case, the reporter receives a username and password which they can use to log in to the platform and converse with the DERC without revealing their identity (the confidentiality of the exchanges is technically ensured by the absence of cookies or tracking methods and through encrypted exchanges).

However, if a Speak Up report is made anonymously, the possibility of it being handled under this system will particularly depend on whether sufficiently detailed and factual information has been provided by the reporter.

If a Speak Up report cannot be handled due to its anonymity, the reporter will be informed of this via the anonymous dialogue box on the secure L'ORÉAL Speak Up website: [www.lorealsspeakup.com](http://www.lorealsspeakup.com).

However, the reporter is generally advised to make their identity known when making a Speak Up report. The reporter's identity will be kept confidential in accordance with this procedure and will not be disclosed to the reported or accused person, unless otherwise required by law or if the reporter provides its explicit consent.

## 3. Information to be provided in support of a Speak Up report

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The information provided in connection with a Speak Up report must be factual and directly related to the subject matter of said report.

In their report, the reporter describes, as objectively as possible and in detail, the facts needed to understand the Speak Up report. It is recommended that reporters specify the following elements:

- When and where each reported fact took place;
- How they became aware of it (directly or indirectly) and whether this knowledge is personal or not;
- Whether they have already told other people about the content of their Speak Up report;
- Whether steps have already been taken to remedy the situation;
- The identity and positions of the people implicated;
- Whether there were witnesses to the reported facts (identities, positions, facts concerned, roles of the identified persons);
- Wherever possible, they should provide any information or documents which might substantiate their Speak Up report. If they are not sure that a particular fact is true, they should specify that it is a presumed fact;

- How they can be contacted (see I. B. 2. above on the possibility of making an anonymous Speak Up report)
- Whether, to the best of their knowledge, at the time of reporting and while the Speak Up report is being handled, legal or similar proceedings (i.e., arbitration, mediation, injunction, etc.) are impending or ongoing. In this case, the Speak Up report is usually not admissible and its handling is normally suspended or stopped. L'ORÉAL does, however, reserve the right to investigate it and take corrective action if necessary.

When the information reported has not been obtained in the course of their professional activity, reporters must have had personal knowledge of it.

However, reporters must not back up their report with information or documents, regardless of their form or medium:

- Obtained by committing a criminal offence (for example: theft of documents, illegal recordings, etc.)
- Covered by national defence secrecy, secrecy of investigations, secrecy of pre-trial investigations, secrecy of judicial deliberations, medical confidentiality or legal privilege unless the information belongs to the reporter (for example: their exchanges with their lawyer or their personal medical information).

If a Speak Up report is deemed not admissible, the reporter shall be informed thereof in writing and of the reasons why the entity considers that their Speak Up report does not comply with these conditions. Wherever possible, they are advised on other means for expressing their concern.

Within the same period, they will also be provided with information on the measures considered or taken to assess the accuracy of the allegations.



# PART II.

## HANDLING A SPEAK UP REPORT AND FOLLOW-UP

### A. Admissibility assessment of a Speak Up report

When making a Speak Up report:

- Via the secure website L'ORÉAL Speak Up: the reporter automatically receives a message which confirms that the DERC has received the Speak Up report.
- To an authorised person: an acknowledgement of receipt is sent by the authorised person to the reporter within 7 days.

When a Speak Up report is made via the secure website L'ORÉAL Speak Up, its admissibility is usually assessed by the DERC. No other internal or external stakeholders are given access thereto. On a case-by-case basis, the DERC may transfer the admissibility assessment to the EC or another designated representative.

When a Speak Up report is made to an authorised person, its admissibility is generally assessed by the relevant EC. In case of difficulties, the EC may request assistance from the DERC at any time.

The DERC has access to all Speak Up reports, whether they are admissible or not.

Assessing the admissibility of a Speak Up report involves checking whether it meets the definition of a Speak Up report under this policy and whether sufficiently detailed and factual information has been provided to enable it to be properly handled.

If necessary, additional information may be requested from the reporter in order to assess its admissibility.

If a Speak Up report is admissible, the reporter shall be informed thereof within a maximum of 3 months from the acknowledgement of receipt of said report. They shall also be informed of the identity of the person in charge of handling their Speak Up report and how they will be kept informed of the follow-up to their Speak Up report.

A Speak Up report may be considered not admissible if the reporter does not provide sufficiently detailed and factual information to enable it to be handled.

If a Speak Up report is not admissible, the entity shall close the case. The reporter shall be informed thereof in writing and of the reasons why the entity considers the Speak Up report not to be admissible.

Wherever possible, reporters are advised on other means for expressing their concern. The DERC may also forward the Speak Up report directly to the relevant internal contact to handle the matter (for example: HR, Communication, etc.) and will inform the reporter thereof.

## B. Handling an admissible Speak Up report

### 1. People likely to be involved in handling a Speak Up report

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#### The reporter

The reporter is the individual who reports information about breaches they have personally observed or that relates to information obtained in the course of their professional activities.

As a reminder, reporters must act in good faith and without any direct financial counterpart.

#### Facilitators

A «facilitator» is any individual or private, non-profit legal entity that helps a reporter make a Speak Up report in accordance to the law.

#### Witnesses and experts

Employees or other Group stakeholders may be asked to contribute as:

**A witness:** identified as part of the investigation, they are assumed to have at least partial knowledge of the reported situations and are likely to be able to provide information on the circumstances surrounding the facts;

**An expert:** internal or external technicians and/or specialists chosen for their specific knowledge in a certain area and who are responsible for making analyses, observations or assessments of facts or providing any useful information for handling Speak Up reports.

Their task is to provide the most objective and detailed explanation of the reported facts as well as of the circumstances likely to surround these facts.

#### The accused person

The accused person is the individual named by the reporter as having committed an ethical breach or violation (see Article I. A 3. of this policy). A person may also be accused during the course of the investigation when information collected and not identified in the initial Speak Up report suggests that it has committed, concealed or participated in a breach or violation.

By actively participating in interviews, the accused person can explain their version of the facts regarding the information in a Speak Up report and, where applicable, information subsequently identified when the Speak Up report is being handled.

Accused persons shall be informed within a reasonable period of time of the nature of the Speak Up report concerning them, the collection of their personal data and the name of the person in charge of handling the Speak Up report.

They are usually informed after the admissibility of the Speak Up report has been assessed.

## Other stakeholders involved in an ethics investigation

The investigation team: In light of the information provided and the circumstances surrounding the facts, L'ORÉAL shall decide how to conduct the ethics investigation. It may be conducted internally by the DERC or its designated representatives or it may also be externalized to a third party appointed for this purpose (i.e. external service provider, such as law firm or Forensic practice) or to a joint team. In the latter cases, a contact will be appointed within the DERC to supervise the investigation and handle its follow-up.

The members of the investigation team shall, by virtue of their position or status, have sufficient expertise, authority and means to carry out their tasks.

They shall carry out their tasks in an independent and impartial manner and shall be bound by the utmost confidentiality regarding the details of the investigation and the identity of the people involved in the investigation.

Staff representatives may be informed of the initiation, conduct and findings of the investigation, particularly when the investigated facts fall within their prerogative in terms of health, safety and working conditions, namely in order to prevent psychosocial risks.

## 2. Steps following the admissibility assessment of a Speak Up report

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The aim of the investigation is to analyse and verify the truthfulness of the allegations made in a Speak Up report.

The investigation may include a documentation, accounting or electronic review, or formal interviews with employees and/or stakeholders whose testimony is relevant for the purpose of the investigation.

These interviews are normally documented in minutes. A copy of the minutes is sent following the interview to the interviewee in order to confirm the accuracy of the transcription of the exchanges or produce corrections or additional information, if necessary.

As part of the investigation, L'ORÉAL may, in compliance with the applicable legal requirements, have access to employees' electronic data, such as emails, data stored on the Group's IT infrastructure, in a telephone or a work computer, etc. This analysis is carried out in accordance with L'ORÉAL's policies and is subject to the DERC's approval.

These analyses are carried out in an impartial and neutral manner, taking into consideration the details allowing to assess the truthfulness of the facts, for the benefit of both the accused person and the reporter, whoever is involved and whatever the hierarchical level of the persons involved.

Investigation methods must never allow for information to be collected by using methods which are unlawful, unfair or disproportionately violate the rights of the people involved, as well as individual and collective freedoms.

When the investigation is conducted by a law firm, legal privilege applies only in the relationship between the law firm and L'ORÉAL. The persons interviewed may therefore not take advantage of this privilege. L'ORÉAL may use any information or statement collected as part of the ethics investigation, and in particular the information collected during the interviews conducted.

As a general rule, an investigation report is written at the end of the verifications made by the investigation team.

The purpose of the investigation report is to substantiate the facts in a factual report that objectively confirms or denies the allegations made in a Speak Up report.

Once finalised, the investigation report is forwarded to the relevant internal contacts in order to decide on a potential remediation plan.

The investigation is closed following submission of the investigation report. The DERC may also close the investigation when the allegations are unsubstantiated or when a Speak Up report has become irrelevant.

### 3. Rights and obligations

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**Respect for data integrity and confidentiality:** This policy guarantees the integrity of the information collected in a Speak Up report. Anyone implicated with the handling of an ethics investigation is bound by a strict confidentiality obligation designed to protect the identity of those involved in the investigation, whether as a witness, the reporter or the accused person.

They must not reveal the information to which they have had access (i.e., questions, answers, issues covered, people involved, etc.). This requirement makes it possible to safeguard the reputation of all those involved and contributes to the proper conduct of the investigation by avoiding any influence.

Moreover, staff members who are not authorised to have knowledge of any such information are strictly prohibited from accessing it.

Information allowing the reporter to be identified can only be disclosed with the reporter's consent. However, such restriction does not apply to those in charge of handling Speak Up reports (identified by the DERC or its designated representatives) or remediation plans at the end of the investigation.

Furthermore, information allowing the reporter to be identified may be disclosed to the relevant authorities, should L'Oréal be required to report or have a legitimate interest in reporting such facts. The reporter shall then be informed thereof, unless such notification would compromise the ongoing proceedings.

**Cooperation:** The reporter, person(s) implicated, witness(es), expert(s) and other stakeholders must fully and completely cooperate and provide, upon first request, without delay and without restriction, all facts, information and documents required, whatever their form or medium, to those in charge of handling a Speak Up report.

Such cooperation also involves the above-mentioned people's effective attendance to interviews.

**Respect of data privacy obligations:** The information collected and processed in connection with ethics investigations may include personal data. Such personal data is processed in accordance with the Group's data privacy policy. Under this policy, the specific provisions relating to the protection of personal data are described in the «Personal Data Protection Policy - Speak Up» available on the Ethics website and on the website [www.lorealpeakup.com](http://www.lorealpeakup.com).

**The right to be informed:** As a general rule, any person accused in a Speak Up report is informed that an ethics investigation or analysis is conducted.

Such information is only provided after the admissibility assessment of a Speak Up report or may be delayed if individuals or information relevant to the conduct of the ongoing investigation or analysis need to be protected.

**Respect of neutrality:** Any accused person must be heard in a fair manner as part of the handling of a Speak Up report. Accused persons may ask for witnesses to be interviewed and may produce any documentation they consider to be relevant to the handling of the ethics investigation.

The DERC or its designated representatives shall independently determine the relevance of the information provided and the follow-up actions that should be given to it.

## C. Follow-up of an admissible Speak Up report

### 1. Information on the follow-up of a Speak Up report

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As a general rule, the reporter shall receive information on the measures considered or taken to assess the accuracy of an allegation, within a reasonable period.

Certain information relating to a Speak Up report must also be shared with the accused person in order to give them the means to explain the facts in question.

The reporter and accused person shall be informed of the end of the investigation and the conclusions on the main allegations addressed in a Speak Up report.

As a general rule, key witnesses are informed of the end of the investigation.

### 2. Remedial measures and non-retaliation

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#### a. Implementation of appropriate measures

After a Speak Up report has been handled, discussions are held between the DERC or its designated representatives, Human Resources and the line manager(s) of the accused person to share the conclusions of the ethics investigation.

In case the allegations are (partly) substantiated; the competent stakeholders (in particular Human Resources) define a remediation plan to be implemented.

Human Resources and the line manager(s) of the accused person are responsible for the implementation of the remediation plan. Such remediation plan can be individual or collective. It may involve training programmes, coaching, mediation or the implementation of disciplinary sanctions, which may go as far as dismissal.

## **b. Prevention of retaliation**

L'ORÉAL does not tolerate any retaliation against a person who has made a Speak Up report or who has been involved in the handling of a Speak Up report.

«Retaliation» refers to all unjustified and/or harmful actions taken against a reporter, facilitator, witness or any person connected to a reporter, as a result of a Speak Up report.

Any reporter or anyone who has provided information in connection with the handling of a Speak Up report who considers to be subject to an act of retaliation, including threats of retaliation and retaliation attempts, may report it to an authorised person or to the DERC.

In order to verify the absence of retaliation, monitoring can be carried out at the benefit of the reporter, its facilitators, witnesses or other people involved in the handling of a Speak Up report, up to one year following the closure of the investigation.

## **c. Sanctions for Speak Up reports made in bad faith and for impeding the handling of a Speak Up report**

In order to ensure that the Speak Up policy is effective and that the people involved in the context of this policy are protected under this policy, sanctions up to and including the termination of the contractual relationship, and even legal proceedings, may be initiated in the event of:

- A Speak Up report made maliciously or in bad faith or with the intention of obtaining direct financial compensation;
- Obstruction or attempted obstruction, through action or inaction, of a Speak Up report or the handling of a Speak Up report;
- A breach of the strict confidentiality obligation related to receiving or handling a Speak Up report;
- Retaliatory acts or threats, or any form of abusive action against the reporter, facilitators and/or third parties associated with the reporter.

## **3. Other possible channels – external reports to the relevant authorities**

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As a general rule, reporters are encouraged to use internal reporting channels in a first instance in order for situations to be remedied within the Group as quickly and efficiently as possible, while providing the reporter with enhanced confidentiality guarantees.

However, the reporter may report to a judicial or administrative authority, professional body or any other relevant institution or body.

## **4. Public disclosure**

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As a last resort and under certain assumptions, the reporter may make their Speak Up report publicly. These assumptions are as follows:

- If after making an external Speak Up report to a relevant authority, whether preceded by an internal Speak Up report or not, no appropriate action has been taken within a 3-month period, or where it has been referred to another authority, if no action is taken within a 6-month period;
- In case of serious and imminent danger;

- Where referral to an external authority would expose the reporter to a risk of retaliation or would not effectively remedy the problem identified due to the particular circumstances of the case (in particular if evidence can be concealed or destroyed, or if the reporter has serious grounds for believing that the authority may have a conflict of interest, be in collusion with the person implicated in a Speak Up report or be involved in the reported facts); or
- Where the reporter discloses information obtained in the course of their professional activities and where there is an imminent or evident danger to public interest, for example in the case of an emergency situation or a risk of irreversible damage.

Under these assumptions, the reporter does not incur any liability with respect to the Speak Up report or public disclosure, provided that they can justify that they had reasonable grounds for believing that there was a serious or imminent danger or a risk of irreversible damage.

## 5. Contacts

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In case of any questions about the rules and principles set out in this policy, you can contact your Ethics Correspondent or email the DERC at the following email address: [ethics@internal.loreal.com](mailto:ethics@internal.loreal.com).