

# L'ORÉAL

## CODE OF BUSINESS ETHICS EMPLOYMENT OF FAMILY AND FRIENDS

February 2011



## EMPLOYMENT OF FAMILY AND FRIENDS

---

**At L'ORÉAL, we are constantly searching for new talents. But what if this new talent is a friend or family of someone working at L'ORÉAL?**

**Hiring someone solely because they are a family member or friend is both unfair and goes against L'ORÉAL's best interests.**

**On the other hand, prohibiting the hiring of family members or friends would also be unfair, sometimes unlawful and unwise if they are the most talented and qualified candidate.**

**Beyond the hiring decision, the employment of family and friends may raise other issues of potential conflicts of interests, namely in the case of supervisory relationships.**

**The principles contained in the Code of Business Ethics aim to allow us to ensure that the work environment within L'OREAL is free of favouritism and/or appearance of favouritism so that employees are appraised solely on their personal talent and merit.**

**This document aims to raise your awareness on this subject in order to avoid conflicts of interests if necessary or to be able to manage them properly should they arise. This is a positive approach which seeks to assist you in taking the right decisions based on objective factors, to protect you and the company's image and reputation.**

---

## PRINCIPLES

The principles below apply where:

- a L'ORÉAL employee has a personal relationship with an individual seeking employment with L'ORÉAL
- two L'ORÉAL employee are friends or family.

The same principles apply for officers and directors of L'ORÉAL.

"Friends and Family" namely include spouses, parents, children, siblings, nephews/nieces, aunts/uncles, grandparents, grandchildren, in-laws, all adoptive relationships, persons living in the L'ORÉAL employee's household and/or economically dependant upon the L'ORÉAL employee, dating relationships and/or close friends.

## DISCLOSURE AND AUTHORISATION PROCEDURE

L'ORÉAL employees can of course recommend Family and/or Friends for employment. However, for the sake of good governance and transparency, it is necessary to make this recommendation in writing and the L'ORÉAL employee thereafter must refrains from all involvement in the recruitment process.

## EMPLOYMENT OF FAMILY AND FRIENDS



Moreover, L'ORÉAL employees must not in any way be or seek to be involved in the transfer, assignment, promotion, performance appraisal, compensation and benefit level decisions, financial control decisions or any other decision affecting the work, employment and career management of Family and/or Friends.

In particular, L'ORÉAL employees must avoid all direct or indirect supervision of Family and/or Friends.

Should any of the above-listed situations arise, the L'ORÉAL employee must report it in writing to their HR Manager and direct line manager. In the case of members of Group Management Committees, such report should be made to the Group Executive Vice President Human Resources.

In order to respect the privacy of L'ORÉAL employees, such disclosure will be considered as confidential and communicated on a strict "need to know" basis.

Moreover, the Company will refrain from asking a L'ORÉAL employee to intervene with regards Family and/or Friends.

Appropriate measures may be taken in order to prevent or resolve any conflict of interest situation.