

Aēsop.

Aesop 2024 Modern Slavery Statement

For Financial Year 2024 – 1 January 2024 – 31 December 2024

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1. Introduction

Aesop was established in Melbourne, Australia in 1987. Our objective has always been to formulate products of the finest quality. We explore widely to source plant-based and laboratory-made ingredients, using only those with a history of safety, efficacy and pleasure.

We aim to provide and receive nourishment through our products, stores, people, and conversations. We are committed to the journey of minimising negative impact from our business and continuing to increase our positive contributions to communities and the world around us.

As part of Aesop’s broader global Ethical Sourcing Programme, we continue to focus on identifying and mitigating modern slavery risk across our supply chain. Our executive team, led by our Brand President Garance Delaye, is committed to ensuring our practices support an end to modern slavery.

This statement has been prepared in accordance with the Modern Slavery Act 2018 (Cth) (**The Modern Slavery Act**) by Emeis Holdings Pty Ltd and outlines the actions undertaken in the calendar year ending 31 December 2024 to identify, understand and minimise modern slavery risks in our global operations and supply chain. It also outlines key areas for future focus.

The following Aesop entities are reporting entities under the Modern Slavery Act:

- Emeis Holdings Pty Ltd ACN 097 023 544
- Emeis Cosmetics Pty Ltd ACN 007 409 001

This statement has been prepared in consultation with both entities and has been reviewed and approved by the board of directors of each entity.

2. Aesop Structure, Operations and Supply Chain

Structure and Operations

Aesop provides customers with a range of products across skin, body and hair care, as well as fragrance and home accessories. Our products are available on the Aesop website, at Aesop signature stores in many major cities, department store counters, and in shared spaces (both in physical stores and online) around the world.

Aesop sources ingredients, packaging and other goods and services from reputable suppliers cross the globe. Our global Supply Chain supports the manufacture and sale of our products by all entities in Aesop’s direct corporate structure. Aesop was acquired by the L’Oréal Groupe on 30th August 2023.



Aesop Supply Chains

Aesop sources a range of products and services from around the world. We have over 130 Production Suppliers in our product supply chain, and many other Non-Production Suppliers. Most of our strategic suppliers and finished goods manufacturers are in Australia however the raw materials and components and packaging that go into our products are sourced from around the world.



Aesop Larchmont, USA

Key Aesop supply chains include the following major categories:

Production Suppliers are suppliers who provide a good or service that is directly involved with or included in our products. For example, the providers of our essential oils are considered Production Suppliers.

Non-Production Suppliers are suppliers who are not suppliers within the product supply chain but who contribute to our business through other means, such as the provision of warehousing, logistics, cleaning, or consulting services.

Aesop supply chains include the following major categories:

Production Suppliers ⁴	Managed by Global Supply Chain team	Manufacturing	Suppliers that manufacture and assemble Aesop products
		Components and Packaging	Manufacturers and/or distributors of packaging and components for Aesop products
		Raw Materials	Manufacturers and/or distributors of raw material ingredients used by our third-party manufacturers to make Aesop product formulas
		Non-Sale Retail Items	Suppliers of back of house and point of sale items
Non-Production Suppliers ⁵	Managed by Global and Regional Supply Chain teams	Warehouse and Logistics	Suppliers that coordinate the storage and distribution of Aesop products prior to customer delivery
		Other Non-Production Suppliers	Goods and services that support head office and regional teams. Includes: software, cleaning, consulting, audit and legal services

3. Modern Slavery Risks

Aesop recognises that its operations and supply chain are exposed to risks of modern slavery, which may include human trafficking, forced labour, debt bondage, deceptive recruitment, and child labour. Aesop has developed an ethical sourcing programme to help assess the extent that we may cause, contribute to, or be directly linked to modern slavery through our operations or supply chain as those terms are defined by the [UN Guiding Principles on Business and Human Rights](#).

Cause: the risk that Aesop’s own operations and/or actions may directly cause modern slavery.

Contribute to: the risk that Aesop’s operations and/or actions in our supply chains may contribute to modern slavery.

Directly linked: the risk that Aesop operations, products or services may be connected to modern slavery through the activities of another entity in our supply chain.

For our internal operations, our Global Human Resources and Health and Safety team members manage a robust set of resources, training, policies, and procedures as well as grievance channels to significantly reduce the risk of modern slavery practices being “caused” directly in our own workforce.

Aesop is aware that despite the implementation of L’Oréal’s ethical sourcing programme, there are inevitably still risks of contributing, or being directly linked, to modern slavery practices through our broader supply chain operations, particularly in relation to high-risk commodities, industry sectors and geographic locations. Aesop has assessed its most material modern slavery risks may occur in the higher-risk sectors of product manufacturing, warehousing, logistics and cleaning services as well as in high-risk raw materials including essential oils, palm oil, soy, paper/board, cotton and ethanol.

Aesop is continually seeking to improve its visibility of the origins of raw materials that are purchased by manufacturers or distributors, including taking steps to increase traceability through our supply chain for our critical raw materials (refer to Critical Materials Policy Compliance section) to enhance both environmental and social outcomes, including modern slavery due diligence and risk mitigation.

Aesop supply chains include the following major categories:

Product Contract Manufacturing	Australia, France, Japan, United Kingdom, Germany
Warehousing & Logistics	Australia, New Zealand, China, Hong Kong, Korea, Japan, Singapore, Taiwan, United States of America, Canada, The Netherlands, United Kingdom
Store locations and Cleaning Services	Australia, New Zealand, China, Hong Kong, Korea, Japan, Macau, Malaysia, Singapore, Taiwan, United States of America, Canada, Austria, Belgium, Denmark, France, Germany, Italy, The Netherlands, Norway, Spain, Sweden, Switzerland, United Kingdom
Raw materials	Australia, Austria, Bulgaria, Egypt, France, Germany, Hungary, India, Pakistan, China, Indonesia, Malaysia, Italy, Madagascar, Morocco, Brazil, South Africa, United States of America
Packaging	Australia, Austria, China, France, Germany, Hong Kong, Netherlands, Taiwan, United Kingdom

4. Assessing and Addressing Risk

Aesop applies the L'Oréal Ethical Sourcing Process which is central to addressing how modern slavery risks are assessed, managed and mitigated amongst our Production Suppliers in our global supply chain. The overarching aim of the ethical sourcing programme is to ensure that our direct Tier 1 suppliers (suppliers with whom Aesop has a direct relationship) have safe working conditions and environmentally responsible processes and ensure all workers are treated with dignity, with human rights held paramount throughout their (and our) supply chain.



Aesop Rue Vieille du Temple, France

Company Commitments

The Aesop Group was acquired by the L'Oréal Groupe in August 2023, and Aesop has since adopted the L'Oréal Groupe's policies which, among other aims, seek to mitigate global supply chain risks.

L'Oréal 4 The Future

[L'Oréal 4 The Future](#) is the L'Oréal Groupe sustainability program that is based on four key ambitions:

1. Steward the Climate Transition
2. Safeguard Nature
3. Drive Circularity
4. Support Communities

Each of these goals is supported by environmental and social commitments to which all L'Oréal Groupe brands are committed. Goals 2 and 4 include the following commitments focused on human rights and just transitions for our supply chain:

Safeguard Nature

- Sustainably source at least 90% of biobased materials used in formulas and packaging.
- Source over 75% of ingredients from nature or from recycled materials in formulas.
- Regenerate more land than our footprint to enhance the health and resilience of our priority ecosystems.

Support Communities

- Have 100% of our strategic suppliers sign a living wage pledge with a time-bound action plan.
- Support 10 million people through our brands' social engagement programs.

L'Oréal Human Rights Policy

L'Oréal Groupe, including Aesop prohibits all forms of Modern Slavery

The prohibitions of Modern Slavery are incorporated into the L'Oréal Groupe [Human Rights Policy](#) (the Policy) and in the [L'Oréal Group Vigilance Plan](#) applied to all direct, Tier 1 suppliers.

Both the L'Oréal Groupe and Aesop believe we can contribute to positive human rights impacts by playing a role as a responsible corporate citizen.

Supplier Ethical Commitments

L'Oréal Mutual Ethical Commitment Letter (MECL)

As part of the L'Oréal Groupe, we require suppliers to review, accept and sign the [L'Oréal Mutual Ethical Commitment Letter \(MECL\)](#) as a condition of doing business with Aesop. The MECL outlines L'Oréal's requirements and commitments for suppliers as a supporter of the UN Global Compact and in line with its global positions on ethics, corporate responsibility, human rights and compliance programs and policies. As our suppliers play a key role in the development of our activities, we require them to meet our standards in the areas of human rights, working conditions, environmental stewardship. The MECL is not only a commitment from suppliers to the L'Oréal Groupe to achieve these standards, but it is also a commitment from Aesop that we will work to meet those high standards. Furthermore, the MECL requires our signatory suppliers to take necessary measures to select and work with suppliers and subcontractors who also respect the ethical standards outlined in the MECL.

The MECL outlines processes and principles previously covered by our Code of Conduct and Ethical Sourcing Policy including respect of local laws and official requirements across human rights, employment practices, working conditions and business integrity. We note in particular, the MECL prohibits forced, bonded and child labour and requires that suppliers do not retain employee passports and will not retain identity documents unless legally required. In addition, suppliers must bear the cost of employment eligibility fees, including recruitment fees, and any required work visas, for all employees, including migrant workers.

Suppliers must ensure that wages meet at least at the minimum standard required by local law and compensate employees at overtime hourly rates greater than regular hourly rates when legally applicable, and provide them with legally mandated benefits, including holidays and leave, and severance when employment ends.

Under the MECL, suppliers must prohibit and take necessary measures to avoid any discrimination in hiring, remuneration, access to training, promotion, termination or retirement.

The MECL is integrated into the L'Oréal Groupe sourcing process and suppliers that present the most significant risks because of their type of activity or geographic location are audited on these topics by a third party.

Further detail on the risk categories for suppliers and applicable due diligence activities is outlined in the MECL, which is available publicly on the [L'Oréal Groupe website](#) and internally on the Aesop intranet.

Whistle-Blower and Grievance Mechanisms

L'Oréal SpeakUp Policy

Aesop now has access to the L'Oréal Groupe Speak Up Policy and Process to enable our employees and all our stakeholders to report any concerns they may have. The [Speak Up Policy](#) enables employees and stakeholders to make a secure and efficient "Speak Up" (whistleblowing) report that provides all 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.

There may be instances where this L'Oréal Groupe 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.



Aesop Hampstead, UK

Risk Assessment and Due Diligence Process

During 2024 Aesop transitioned from the Aesop Ethical Sourcing Policy to the L'Oréal Social Audit program incorporating the MECL applied in accordance with the Group Vigilance Plan.

In this time, Aesop remained a member of the Supplier Ethical Data Exchange (Sedex) members to maintain visibility of human rights risks in our direct supply chain while migrating to the L'Oréal Groupe MECL and social audit process. Sedex is a membership organisation that allows members to upload, share, manage and report on the sustainability of their operations including coverage of labour standards, health and safety policies, environmental practices and business ethics within their own company.

Where specific risks are known to exist beyond our Tier 1 Production Suppliers, Aesop has, with the support of our parent company, implemented targeted actions to address these risks, as indicated in the Group Vigilance Plan.

5. Effectiveness and Reporting

Aesop tracked the following key performance indicators to assess the effectiveness of the actions we are taking to understand and minimise modern slavery risks in our operations and supply chain.

Alignment with MECL

It is vital that Aesop ensure we are engaging with suppliers who share our ethical standards regarding human and labour rights, working conditions, environmental standards and overall business integrity. We are committed to supporting suppliers in meeting our standards whilst having the courage, if necessary, to end relationships with those who are unwilling to meet them.

As part of the L'Oréal Groupe, these standards are outlined in the MECL and Aesop is now working on receiving formally executed letters from our existing suppliers in place of the previous Code of Conduct with 98.7% of our suppliers signing the MECL in 2024. As the MECL is rolled out to all our existing suppliers, Aesop is expanding the reach of these ethical standards to both Production and Non-Production Suppliers.

During 2024 we began integration into the L'Oréal Groupe and transitioned from SMETA audit requirements (under Sedex) to the L'Oréal Groupe MECL and social audit process.

Third-Party Supplier Audits

Under the L'Oréal Groupe auditing system, selected suppliers must complete a L'Oréal Groupe social audit or apply to have an equivalent audit (BSCI, SMETA or SA8000) recognised under the L'Oréal's Equivalence System before they can commence business with the L'Oréal Groupe.

This system places significant emphasis on continuous improvement and suppliers rectifying non-compliance audit findings through corrective action plan processes. Depending on the supplier's performance, they may be required to complete a follow-up audit before being approved for 3 years (or 12 months for equivalence audits). After this time, they will need to complete another routine social audit.

Suppliers are subject to social audits based on the product/service they provide and the location of their operations. The locations within scope have been identified based on assessments conducted by Verisk-Maplecroft.

In 2024, 25 social audits were completed including those who had an existing audit approved under L'Oréal's Equivalence Program.

The need for these audits was assessed based on level of risk. This system places significant emphasis on continuous improvement and suppliers rectifying non-compliance audit findings through corrective action plan processes.

Monitoring and Reporting

In 2024, Aesop Direct Sourcing commenced the transition to the L'Oréal Groupe referencing process including changes to process, systems and ways of working. During 2024 Aesop engaged with suppliers to require compliance with this L'Oréal Groupe process, and monitoring of this compliance was tracked and reported within Aesop.

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Aesop De Meent Netherlands

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Training

Our Global Human Resources and Health and Safety team members manage a robust set of training resources, both online and in person, that cover the health, safety and wellbeing of our own workforce.

All Aesop employees are required to complete the L'Oréal Groupe Ethics and Human Rights training which was rolled out to Aesop employees in the first quarter of 2024.

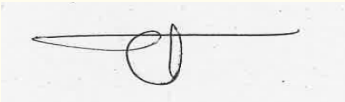
In 2024 Aesop continued its monthly meeting, implemented in 2023, with key ethical sourcing and procurement team members. The focus of these sessions was on integration with the L'Oréal Groupe and training the sourcing team on the MECL, social audit and referencing process.

6. Consultation

In preparing this Statement, a process of consultation was carried out across key global functions at Aesop. This included engagement with functions such as Supply Chain, Sustainability and Legal as well as corporate officers of the reporting entities and members of the Aesop executive team.

Garance Delaye

Brand President, Aesop



Janine Jansen

Representative of the reporting entities



7. Appendix

Mandatory Criteria	Relevant section in statement
Identify the reporting entity	Introduction
Describe the structure, operations and supply chains of the reporting entity	Aesop Structure, Operations and Supply Chain
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls	Modern Slavery Risk
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes	Assessing and Addressing Risk
Describe how the reporting entity assesses the effectiveness of such actions	Effectiveness and Reporting
Describe the process of consultation with any entities that the reporting entity owns or controls	Consultation