

Modern Slavery Statement 2017

Introduction

Oriflame is committed to respecting human rights throughout our own operations, in our supply chain and in the communities in which we operate. Oriflame's approach to human rights is based on the UN Guiding Principles on Business and Human Rights and the recognition that companies such as Oriflame have a responsibility to respect human rights, including modern slavery and human trafficking.

This statement has been prepared by Oriflame and applies to all entities within the Oriflame group. This statement serves as a response to the requirements of the section 54(2) of the UK Modern Slavery Act 2015 and the Modern Slavery Act 2015 (transparency in Supply Chains) Regulations 2015.

About Oriflame

Founded in 1967, Oriflame is a beauty company selling direct in more than 60 markets. Oriflame is proud of its Swedish heritage, as it plays a vital role in what makes the company unique and has helped to define how the company operates. Accessible, Natural, Progressive and Trustworthy are Oriflame's Swedish attributes exhibited through the company's offering and general approach to business. Our wide portfolio of products is marketed through approximately 3 million independent Consultants, registered actives, in over 60 countries, generating annual sales of around €1.4 million 2017. Oriflame has around 6,200 full-time equivalent employees and its corporate office is based in Switzerland.

Oriflame produces more than 55% of cosmetic products in-house with six manufacturing sites located in Poland, Russia, India and China. External suppliers in Western and Central Europe, Russia and Asia produce the majority of the remaining products, including cosmetics, accessories and wellness products. Oriflame has four Group Distribution Centres in four countries.

Oriflame's Sustainability Report includes the highlights of the company's sustainability performance and commitments. It also discloses actions to tackle human rights and supply chain management. The latest report can be found at: <https://corporate.oriflame.com/SUSTAINABILITY/Management/Reports/>

Our responsibility

We have developed a specific Human Rights Commitment for Oriflame, based on the UN Guiding Principles on Business and Human rights. It details the human rights principles by which we operate as a business and sets specific commitments on how we approach and respect human rights in our operations, including concerns on modern slavery and human trafficking. We also work to adhere to the principles of the UN Global Compact, of which we are signatories since 2009.

To ensure these principles become an everyday part of how we do business, we have integrated them into the Oriflame Code of Conduct, the Supplier Code of Conduct and other relevant policies and procedures. The Supplier Code of Conduct outlines requirements regarding human rights, including working conditions,

health and safety, discrimination and environmental impact. More information can be found on our corporate website: http://corporate.oriflame.com/About_Oriflame/Code-of-Conduct/

Our Human Rights management approach

In order to understand Oriflame's risks, we have developed a Human Rights Due Diligence process. In addition, in 2015 we conducted an in-depth study assessing the major human rights impacts throughout our business. As a result, we have identified our most salient risks and we are now working to ensure these are adequately addressed. The main risk areas include, among others:

- Oriflame's supply chain with potential breaches of labour conditions. The risk suppliers are mainly located in Asia, and in our extended supply chain we see the highest risks of child and forced labour occurring.
- Contentious raw materials, including palm oil and mica; have supply chains with systemic human right challenges. More information on these commodities and Oriflame's actions can be found in our sustainability report.

Risk compliance

Sustainability and human rights risks are incorporated in to our corporate business risk assessment process. We are integrating human rights issues into existing risk assessments when entering new markets and have committed to conducting country specific assessments for new high-risk markets.

Training on human rights

We have a commitment to educate our employees on our business responsibility to respect human rights. Group management and additional key functional heads have already been trained, and training will be rolled out to more employees. Oriflame also participates in the Swedish Network for Business and Human Rights, a business network that focuses on sharing best practices.

Suppliers' due diligence process

Oriflame adopts a risk based, 5-step approach which sets out requirements and details how suppliers are prioritised, evaluated, scored and developed. The foundation of this process is the Supplier Code of conduct. A self-assessment tool has been rolled out to a significant share of both direct and indirect suppliers to help assess their sustainability data, encourage continuous improvement, and prioritise our actions. Finally, Oriflame conducts audits at high risk suppliers, to ensure compliance, and to verify that necessary actions are taken for non-compliances. Oriflame has staff located in both China and India dedicated to conducting sustainability audits.

2017 performance and future steps

Oriflame has adopted several commitments related to human rights. In 2017, some of the highlights of our performance include:

- Selected workshops and training for teams were conducted and will continue throughout 2018
- Actions to address Oriflame's most salient human right impacts continued with the gradual roll-out of the Human rights commitment across relevant parts of the organisation. Key focus areas

included our supply chain impacts, and health and safety.

- The roll-out of the 5 step Supplier Evaluation program continued. The self-assessment tool has been further rolled out to global suppliers, suppliers representing 97% of our Finished Goods suppliers, currently use the tool. For our high-risk suppliers, mainly located in India and China, we conducted sustainability audits during the year covering 20% of our suppliers located in those countries, covering both direct and second tier suppliers. The categories audited include cosmetics, wellness, packaging and accessories suppliers.

Our intention is to regularly assess the human rights risks and impacts of our business activities and carry out due diligence as appropriate to the size, the nature and the context of the operations and the severity of the risks of adverse impacts. We will track our performance, and communicate progress regularly.

The Board of Directors of Oriflame Holding AG has assumed the role, of overall responsibility for the oversight of the compliance with the Modern Slavery Act 2015 and appointed the Vice President Sustainability to own the responsibilities with regards to human rights generally.

This statement covers the Oriflame Group's operations globally and includes its operations in the UK, covering the fiscal year 2017, and has been approved by the Board of Directors.

Adopted by the Board of Oriflame Holdings AG on 10th April 2018.