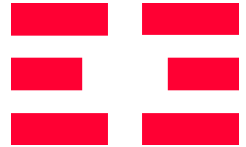


SEPHORA

Sephora

Locations: France (HQ)

Industries: Household and Personal Products

RISK LEVEL:**High Risk****DESCRIPTION:**

Sephora is High Risk. The company yields to political activism in shaping corporate governance, potentially alienating consumers, dividing employees, and harming shareholders. The company implements race and identity-based policies that replace merit, excellence, and integrity with preferential treatment and outcomes. Sephora embraces corporate initiatives that redirect its central focus from business goals to partisan policies and divisive issues. This approach fails to safeguard free exercise, free speech, and free enterprise.

Corporate Weaponization

Has canceled customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries. Medium Risk

Sephora received a score of 100 on the 2025 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. The company recruits employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (1)(2). However, the company has not publicly canceled customers, suppliers, or vendors based on political views or religious beliefs (3).

Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs. High Risk

Sephora's HRC 2025 CEI rating indicates the company will not donate to non-religious charities unless they embrace controversial sexual identity policies (1)(2). However, the company does not appear to discriminate against charitable organizations based on views or beliefs (3).

Employment policies fail to protect against viewpoint or other discrimination and/or are ideological in nature. High Risk

Sephora's HRC 2025 CEI rating indicates the company forces employees to attend multiple, controversial trainings on gender identity, sexual orientation, transgender issues, and divisive racial ideology. The company provides gender transition guidelines for its employees and a specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2). Sephora appears to prioritize diversity over merit in its mentorship program. From its Sephora Accelerate page: "Sephora Accelerate is a brand incubation program dedicated to building a community of innovative, inspirational brand founders in beauty. With a focus on founders who are people of color, in line with our commitment to the 15 Percent Pledge, our goal is to ensure there are brands in the beauty industry representative of the colors, races, and ethnicities that make up the Americas" (3). The company does not provide viewpoint protections for its employees (4).

Corporate Governance and Public Policy

Uses corporate reputation to support causes, organizations, or policies hostile to freedom of expression.

High Risk

Sephora's HRC 2025 CEI rating indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy. By doing so, the company risks dividing employees, alienating customers and harming shareholders (1)(2). Its leadership has publicly spoken out against the Supreme Court's decision to overturn Roe v. Wade (3). In February 2025, Sephora released a documentary focused on DEI (4). Sephora supports DEI within its business practices. From its About Us page: "In 2020 Sephora launched our Diversity and Inclusion Heart Journey to support our vision of becoming the Diversity, Inclusion, and Equity Champion in the retail industry" (5). Sephora supports DEI within its business practices, employing a DE&I Steering Committee "To help implement and prioritize our 11 DE&I initiatives" and "to hold us accountable internally" (6).

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression.

High Risk

Sephora provides a benefits package for employees that covers travel/lodging costs for an abortion and transgender medical procedures for covered employees and dependents, including children (1)(2)(3)(4)(5). Its HRC 2025 CEI rating indicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology. By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders (6)(7). Sephora is a Platinum Tier corporate sponsor of the Trevor Project, an organization that advocates for controversial sex and gender ideology, including "gender transition" drugs and surgeries for minors, through legislation, litigation, advertising, and PR campaigns. The organization also hosts online chatrooms that allow adults to communicate with minors as young as 13 about sexually explicit topics. Adults in these chatrooms have encouraged minors to adopt transgender identities and withhold this information from their parents (8)(9)(10)(11)(12). It has given to Black Lives Matter related causes (13). Otherwise, there are no publicly known cases of the company using corporate funds to advance ideological causes, organizations, or policies (14).

Uses corporate political actions and/or financial contributions for ideological, non-business purposes.

High Risk

Sephora's HRC 2025 CEI rating indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives. By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders (1)(2). The company does not operate a PAC at this time (3)(4)(5).

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