

GDPR FAQ for the Independent Field

- 1. What is the GDPR? The General Data Protection Regulation ("GDPR") is a European Union law that strengthens and unifies data protection for all individuals within the European Union. It aims primarily to give more control to individuals over their personal information and gives people more say over what companies and other service providers (like you!) can do with their data. It simplifies the regulatory environment by unifying the regulation across the EU and makes data protection rules more or less harmonized throughout the region. The GDPR continues and in many areas enhances existing enforcement mechanisms (like fines) to ensure compliance.
- 2. Who does the GDPR apply to? GDPR applies to all entities (including self-employed individuals) that process (i.e., collect, store, analyze, etc.) information about people that live in the European Economic Area (EEA), where many of Avon's markets are located, including yours. For clarity, this includes not just companies, but also individual people when they are engaged in commercial activities (like you!).
- 3. What type of information does GDPR regulate? GDPR covers any information that can identify an individual, either on its own or in combination with other information with which it is stored. It is also any information which does not directly identify an individual but relates to an individual who has either already been individually identified or can be individually identified

| Examples Include: | | |
|---|---------------|------------------------------------|
| email address or postal address | date of birth | credit card or bank account number |
| telephone number | location data | online identifier |
| photograph | IP address | purchase histories |
| independent sales representative account number | | |

one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that person

4. How does the GDPR view the relationship between the Field (Independent Representatives and Sales Leaders) and Avon? Under GDPR, Avon and individual representatives and sales leaders who are independent contractors are each deemed to be independent controllers of the personal information they process. This is because we each make independent decisions on what information we may collect and how we use it. For example, you are free to ask about your customers' spouses to talk about products that may work as a present and we may analyze your customers' navigation of our website in order to improve it. This means that the individuals who work in the Field (i.e. you) are responsible for having appropriate measures in place to comply with the regulation.



- 5. What can you do to comply with the GDPR? We encourage all of our individual representatives and sales leaders to make sure they comply with the GDPR. Here are some of the key points that you should consider as a controller for GDPR compliance:
 - a. <u>Data Subject Rights</u>: The GDPR enhances the rights individuals (i.e. Representatives in your downline, and your customers) have over their personal information. For example, individuals may have the right to object to your uses of their personal data and they have the right to data understand what personal data you maintain. You will need to make sure you can accommodate the rights of data subjects. See question 6 for more details.
 - b. <u>Privacy Principles</u>: You are responsible for complying with basic privacy principles including "minimization" and "security." See question 7 for more details.
 - c. <u>Data Breach Notifications</u>: You will need to report data breaches (i.e., any time personal data you maintain is compromised) to the data protection authorities without undue delay, which typically means it must be within 72 hours.
 - d. <u>Sensitive Data</u>: You should try to avoid collecting sensitive data like race or ethnic origin, health information, and information about political or religious opinions in the course of working with your customers or downline. Collecting this type of information would subject you to greater obligations.
 - e. <u>Data Processing Agreement (DPA)</u>: If you use an outside service provider to help you operate your business, for example, to manage contact information or find new leads, you will need to include specific language in your agreement with that provider. You should ask the provider to show you where the GDPR requirements for these agreements are covered.
- 6. How do I comply with data subject rights? You should be prepared/able to:
 - a. tell your customers and downline what information you have collected from them if they ask (you can use the Avon privacy statements available on the website to help)
 - b. honour requests to stop sending your customers/downline marketing communications
 - c. honour requests to delete the personal information you've collected from the person making the request
 - d. be prepared to explain the difference between yourself and Avon namely that you control your use of their personal data, but that you do not control Avon's use and if they have questions about Avon's use, they should contact us at privacyuk@avon.com
- 7. What are the "privacy principles" I should follow? Although these may seem like scary words and complicated obligations, if you think about them they are basic considerations that you'd expect someone to honor if they had your information.
 - a. *Minimization*: This means that you should only collect information you need and you should only share it with those who need it, for example, you probably don't need to keep track of a customer's age to take their order so you shouldn't collect their age.



- b. Retention: You should delete information you no longer need for example, if you collected information from a customer and have not taken an order from them for some time, you should consider deleting their information. If a prospect didn't pan out, but didn't ask to be deleted, you should consider deleting their information as well. Saving personal information because one day, maybe, you might have some possible additional use, is not allowed!
- c. *Security*: You should password protect your computer, laptop, and mobile devices and run typical antivirus software. Be careful with printouts you may create – don't leave them on the bus!
- d. *Accuracy*: You should keep your information up-to-date. If a customer tells you they moved, update their information in your contacts, if a customer tells you to update their phone number, do so!
- e. *Purpose*: If you collected their information to sell them Avon products, don't send them emails about your favorite sports team, celebrity or with a funny joke you heard.
- f. *Notice (aka Transparency)*: You should consider sharing the Representative Privacy Notice with your downline and a Customer Privacy Notice with your customers. These types of notices inform the relevant individual about the personal information Avon will manage and generally can be used by you to meet your notice obligations as well. You should consider how you might inform others if you use their personal information in other ways.
- 8. Does the GDPR mean I need to ask my downline's permission to use their information? No, there is no need to confirm with every individual in your downline that they consent to you using their personal information. However, if they ask you to stop using it or to delete it, you should make sure you honour that request.
- 9. What about the personal information of others that I store on Avon systems? Avon is a controller of that information and so is independently responsible for complying with GDPR. For example, to the extent Avon collects credit card information of your customers, Avon is processing that information for its purposes and so is responsible for meeting the security and other requirements imposed by the GDPR.
- 10. How does Avon help the Field comply with the GDPR? To the extent that you store personal information of representatives in your downline or your customers in Avon systems, we've got you covered. Avon has appropriate information security practices in place to secure the data it is processing and that security obviously covers the data you may use in operating your business. For example, personal information on our systems is protected by firewalls and other information security systems, we have monitoring and logging systems in place and we encrypt sensitive data we transmit. Avon is also responsible for handling any data breaches that occur in its systems and will determine whether there is an obligation to report such breaches to the authorities.
- 11. GDPR is confusing, can you break it down into some simple tips that will get me 90% there? Of course we can!
 - a. let people opt-out of receiving marketing from you. Remember that any message which even partially or indirectly encourages more sales is a marketing message.
 - b. use bcc when sending a message to many people.



- c. put yourself in others' shoes, if a third reminder email about the end of a campaign would annoy you as if you were the recipient, then don't be the sender of that third reminder.
- d. don't collect information if you don't need it.
- e. if you're sending an attachment, first, double check you have the right one and second, make sure it doesn't have information related to multiple people.
- f. use passwords that are hard to guess (e.g., not "password").
- g. if you're going to work with a third party to help you run your business ask questions about how they use the personal information you may share and make sure you're comfortable they will only use it to help you and are willing to put that in writing.
- 12. Where can I go for more information? You can always reach out to Avon to ask questions, but your local data protection authority, the ICO (https://ico.org.uk) will have detailed information regarding your obligations. Click <u>here</u> for the ICO's webpage specifically for micro, small and medium organisations, which contains links to a guide to GDPR, further FAQs, self-assessments, checklists and a privacy notice template.