



*Responsible procurement charter*

# PROCUREMENT WE CARE

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*2023*



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# CLARINS RESPONSIBLE PROCUREMENT

## *FOREWORDS*

CLARINS is a family firm built on values implemented on a daily basis. These strong values are at the heart of the CLARINS responsible development ambition and foster strong commitments.



**Jonathan Zrihen**

*President & CEO*

Respect for our consumers, employee development, creating added value, preserving nature and sharing with society, all contribute to the fulfillment of our Group's vision of Responsible Beauty.

These shaping values and commitments are reflected into principles of action and behavior as formalized in the Ethics Charter "A BEAUTIFUL ATTITUDE" and completed by the "WE CARE PROCUREMENT POLICY" - an ambitious global approach to provide a shared and consistent basis for ethical procurement practices and standards throughout the CLARINS Group.



**Virginie Courtin-Clarins**

*Managing Director*

**CLARINS is firmly committed to conducting its business legally and ethically, requiring its suppliers to adhere to the same principles to ensure a long-term, sustainable and successful relationship between all parties.**

**Together, do more, do better and enjoy doing so !**



# *Clarins' CSR strategy*

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# CLARINS' CSR Commitments

Companies have a duty to act for a sustainable future. This requirement demands that companies play a role in the major issues of our time: social inequalities, climate change, damage to ecosystems, scarcity of resources...

Clarins believes that Responsible Beauty is a collaborative effort. To this end, it is key to ensure that the company work with committed partners who are concerned about ethics as well as social and environmental issues. Clarins has decided to evaluate the performance of its partners with an internationally recognized rating organization while applying the reciprocity to itself.

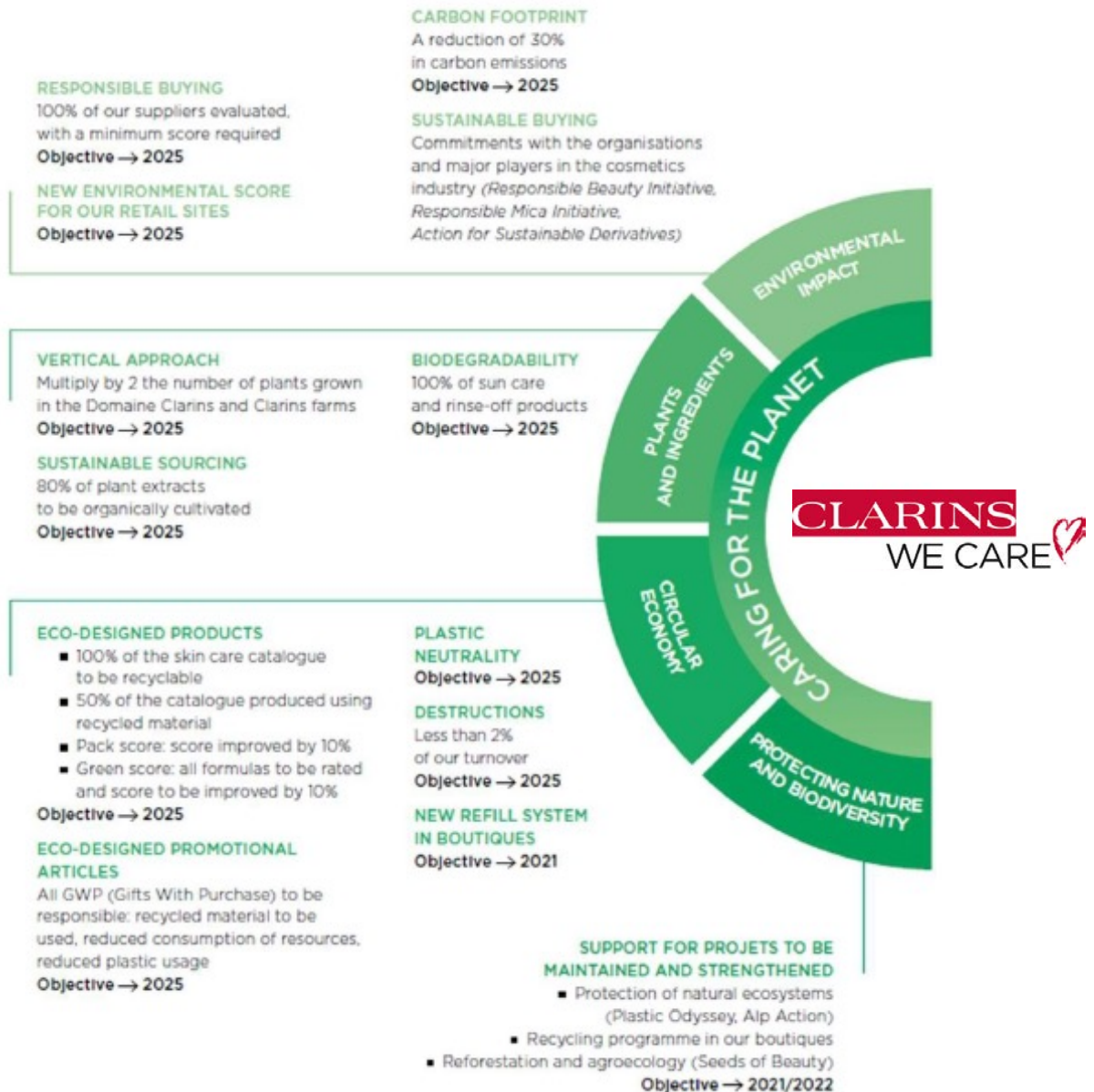
Purchasing is at the heart of the company's operations. The orientation towards responsible purchasing is a powerful way to trigger and promote social and environmental transformations.

**This charter contributes significantly to achieving the company's ambitious CSR mission:**

**« Making life more beautiful, passing on a more beautiful planet »**



# CLARINS' CSR Commitments





# CLARINS' CSR Commitments

## NOTATIONS RSE

Clarins establishes, measures and improves its CSR roadmap. A CSR assessment is usually based on the observation of a policy, actions in place and ultimately monitoring of the results.

Clarins has chosen to evaluate its key suppliers first and to progressively extend the evaluation to all its suppliers. This is valid for all entities of the company. Clarins may choose the most appropriate organization to provide a complete assessment of social and environmental issues. It is possible to take into account other assessments if they themselves respect these same expectations.

As we move forward with our goals, Clarins will continue to adjust its expectations upward. This will be done in a transparent and collaborative manner with our partners.



# CLARINS' CSR Commitments





# Fundamental Principles of our Charter

We expect our suppliers to operate in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labor, environment and anti-corruption. By incorporating the Ten Principles of the UN Global Compact in our Responsible Procurement Charter we are not only asking you to uphold to basic responsibilities to people and planet, but also setting the stage for long-term success.

## HUMAN RIGHTS

### 01 - SUPPORT AND RESPECT

The protection of internationally proclaimed human rights

### 02 - MAKE SURE

that they are not complicit in human rights abuses

## LABOR

### 03- UPHOLD

The freedom of association and the effective recognition of the right to collective bargaining

### 04 - ERADICATE

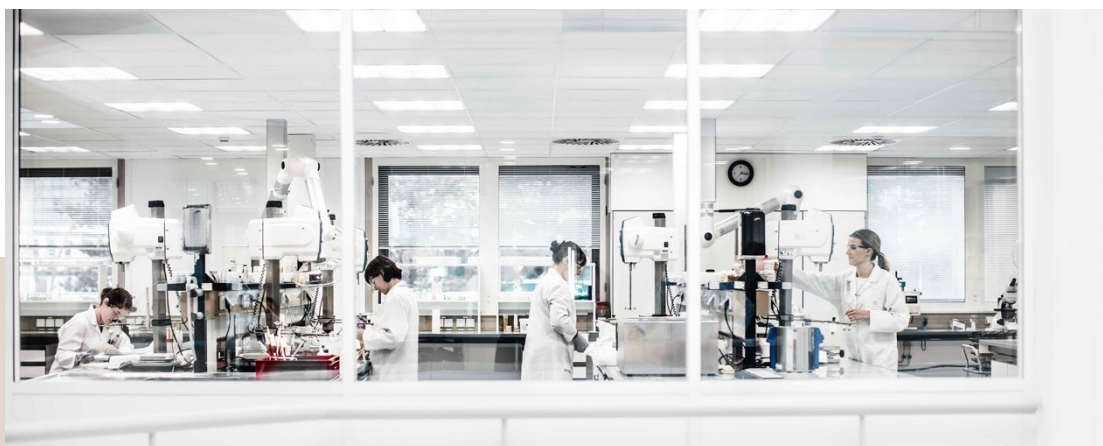
All forms of forced and compulsory labor

### 05 - SUPPORT

effective abolition of child labor

### 06 - ELIMINATE

Discrimination in respect of employment and occupation



# Les principes fondamentaux de notre Charte

## ENVIRONMENT

### 07 - SUPPORT

A precautionary approach to environmental challenges

### 08 - UNDERTAKE

Initiatives to promote greater environmental responsibility

### 09 - ENCOURAGE

The development and diffusion of environmentally friendly technologies

## ANTI-CORRUPTION

### 10 - WORK AGAINST

Corruption in all its forms, including extortion and bribery

# Reference documents

## **INTERNATIONAL AGREEMENTS TO WHICH CLARINS REFERS**

- Universal Declaration of Human Rights
- United Nations Global Compact initiative
- OECD Guiding Principles
- The International Labor Organization Fundamental Conventions
- UNESCO Convention on the Rights of the Child

## **CLARINS' DOCUMENTS**

- Ethics Charter A Beautiful Attitude
- Anti-corruption Code of Conduct
- (to the extent applicable) Transportation Code of Conduct
- (to the extent applicable) Responsible Ingredient Sourcing Charter



# *Mandatory Requirements*

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# Charter

## PROCUREMENT WE CARE

**The "WE CARE PROCUREMENT CHARTER" documents the standards and undertakings expected by CLARINS from its suppliers and service providers, in accordance with CLARINS' CSR strategy.**

The "WE CARE PROCUREMENT POLICY" describes the requirements and ways of working that CLARINS applies together with its suppliers and service providers (together hereinafter referred to as the "suppliers") and CLARINS' expectations for continuous improvement. CLARINS requires all suppliers to operate in accordance with the principles set out in this document, as well as in full compliance with all applicable laws and regulations, and with our Ethics Charter "A BEAUTIFUL ATTITUDE".

In some cases, this charter goes beyond strict compliance with applicable laws and draws upon internationally recognized standards to advanced social and environmental responsibility. When differences arise between CLARINS' standards and legal requirements, the stricter rule shall apply. In the event of a discrepancy between a local law or custom and the principles set out in this charter or in the CLARINS Ethics Charter "A BEAUTIFUL ATTITUDE", the actions arising therefrom must not lead to unlawful behavior or activity.

Suppliers are expected to hold their own suppliers and subcontractors to the standards and practices covered here.





# Charter

## PROCUREMENT WE CARE

### THE SECTIONS OF THE CHARTER

#### Section 1



##### Conducting Business

CLARINS' suppliers shall commit to the **highest standards of ethical conduct** and to **comply with all laws, rules, regulations and treaties** applicable to the products and/or services provided to CLARINS

#### Section 2



##### Human Rights and Labor Practice

CLARINS' suppliers shall provide to all workers in their supply chain a **fair and ethical workplace** and make sure that everyone is treated with **dignity** and **respect** uphold to human rights standards

#### Section 3



##### Health and Safety

CLARINS' suppliers shall provide and maintain a **safe work environment** and integrate **sound health and safety management** practices into their businesses

#### Section 4



##### Environmental Standards

CLARINS' suppliers shall comply with all **applicable environmental laws, regulations, permits and standards** in relation to their business and operations



CLARINS expects the highest standards of ethical conduct from all its suppliers. Suppliers are required to comply with all laws, rules, regulations and treaties applicable to the products and/or services provided to CLARINS in all locations in which business operations are conducted. These include, but are not limited to, laws related to bribery /corruption or money laundering, competition, business conduct, environmental standards, occupational health and safety, labor and employment, and any others that would be applicable. CLARINS is committed to, and expects its suppliers to be equally committed to, conducting their business with integrity, fairness and honesty and adopting responsible business practices.

01

## COMPLIANCE

The supplier shall comply with all applicable laws and regulations in the countries where the supplier operates. The supplier must also demonstrate compliance with international laws and regulations on human rights (ILO's Fundamental Principles), international trade (export controls, sanctions and reporting obligations), data protection and anti-trust/competition laws.

02

## BRIBERY & CORRUPTION

All forms of bribery, corruption, extortion or embezzlement are prohibited, and the supplier must demonstrate that it has adequate procedures in place to prevent bribery in all commercial dealings. CLARINS' suppliers must act in a transparent manner and must not take part in any form of corruption, including extortion and bribery. They commit to respect the rules of healthy competition and not to abuse any significant position on the market.



03

## GIFTS AND HOSPITALITY

Gifts and hospitality must be reasonable and entirely for maintaining good business relations, not intended to influence the outcome of decision making.

04

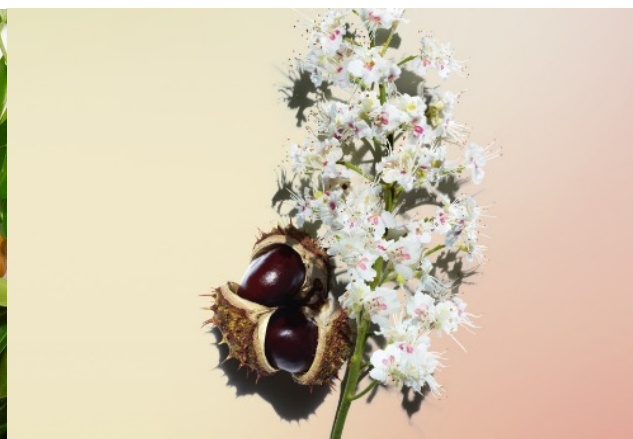
## CONFLICT OF INTEREST

All conflicts of interest must be reported to CLARINS so that appropriate action can be taken. Any ownership or interest in the supplier's business by government officials or political parties or a CLARINS employee must be declared prior to entering the business relationship with CLARINS, or as soon as it occurs, in case it occurs after the supplier has entered into a business relationship with CLARINS.

05

## WHISTLE-BLOWER PROTECTIONS

The supplier must protect whistle-blower confidentiality and prohibit retaliation against workers who report workplace grievances. The supplier must create a mechanism for workers to submit their grievances anonymously or with a guarantee of confidentiality, and must be able to demonstrate that these are investigated and reviewed.





06

## RESPONSIBLE SOURCING OF MATERIALS

The supplier shall exercise due diligence on relevant materials in its end-to-end supply chains. The supplier shall develop due diligence policies and management systems in order to identify risks and take appropriate steps to mitigate them. Due diligence shall be conducted to the materials processing level in order to determine whether relevant materials originate from regions with high risks. These high-risk areas include those associated with conflict, child labor, forced labor and human trafficking, human rights violations (such as widespread sexual violence), or other reasonably objective high-risk activities, including health and safety risks and negative environmental impacts.

07

## PROTECTION OF INTELLECTUAL PROPERTY

The supplier shall respect intellectual property rights and safeguard customer information. The supplier shall manage technology and know-how in a manner that protects intellectual property rights.

08

## FREIGHT FORWARDING

Suppliers which are providing transportation / freight forwarding services to CLARINS, or which are resorting to transportation companies or freight forwarders as part of their business relationship with CLARINS, undertake to fully comply, and/or have the transportation companies or freight forwarders they are working with comply, with the provisions of the CLARINS Transportation Code of Conduct.



09

## COMPETITION AND COMPETITOR INFORMATION

All information about CLARINS' competitors shall be obtained legitimately and will only be used for legitimate purposes in compliance with all relevant anti-trust and other laws and regulations. Suppliers will not disclose to CLARINS any confidential information regarding CLARINS' competitors, and suppliers shall in no event disclose any confidential information on CLARINS to any third party.

10

## ECONOMIC RELATIONS

Suppliers will avoid any economic dependence on CLARINS. Should this occur, the supplier is required to inform CLARINS as soon as possible to find a solution and take this risk into account.

11

## FAIR SUPPLIER TREATMENT

Each supplier must treat its own suppliers / sub-contractors equally and fairly. The supplier's employees or representatives dealing with suppliers / sub-contractors are expected to be transparent with them on the supplier's bidding process and give honest feedbacks to fails bids, ensure that those suppliers / sub- contractors are paid on time and according to the agreed terms.



# Human Rights and Labor Practice



**CLARINS believes all workers deserve a fair and ethical workplace. Workers must be treated with dignity and respect, and CLARINS' suppliers shall uphold human rights standards.**

CLARINS's suppliers must support and respect the UN Declaration of Human Rights and make sure that they are not complicit in Human Rights abuses; it means that if they are working with other suppliers, they have to make sure that the latter also respect the UN Declaration of Human Rights.

As a minimum, suppliers are required to comply with all applicable laws and regulations regarding working conditions and labor standards. Where local laws are less stringent than the ILO's Fundamental Principles, the ILO's Fundamental Principles will apply.

01

## **NO FORCED LABOR**

The supplier shall ensure that all work is voluntary. The supplier shall not use any enslaved, involuntary, forced, prison or debt bondage labor of any kind. The supplier will not be involved in human trafficking activity or any activity that promotes modern slavery. The supplier shall not use any corporal punishment, physical or psychological abuse, or threats of violence or coercion to secure or keep its employees.

**No original copies of employee identification documents (passports or identity papers) will be kept by the supplier. There should not be any unreasonable restrictions on the ability of the employee to leave the workplace and find alternative employment.**

# Human Rights and Labor Practice



02

## NO CHILD LABOR

The supplier shall comply with all laws preventing child labor. Only workers who meet the minimum legal age requirements of the country shall be permitted to work. Suppliers must not employ children in their activities, in particular in manufacturing or packaging processes. The term "child" refers to a person less than fifteen years-old (15) or who has not reached the age limit for attending school. If there is any doubt about minimum age of employment, the ILO's Minimum Age Convention, 1973 (No. 138) should be applied.

**The supplier shall not allow workers under the age of 18 to work night shifts or be involved in any hazardous work as specified in the ILO's Worst Forms of Child Labor Convention, 1999 (No. 182).**

**CHILDHOOD**

# Human Rights and Labor Practice



03

## DEDUCTIONS

Using deductions from basic wages as a disciplinary measure is prohibited. Disciplinary measures must be based on documented disciplinary procedures that are communicated to all staff. All instances of disciplinary action shall be recorded.

04

## WAGES, BENEFITS AND WORKING HOURS

The supplier shall adhere to all applicable laws regarding working hours, wages, social security payments and overtime payments. Workers shall be paid at least the minimum legal wage. Where there is no legal or regulatory minimum wage, the supplier must be able to demonstrate that an employee's wages meet the relevant industry norms. Wages shall be paid promptly and in full.

All employees shall be provided with written and understandable information in their local language about their employment conditions in respect to wage, benefits and working hours.

**The supplier will limit working hours and overtime to levels that are humanly and safely acceptable and will ensure proper working conditions. All overtime shall be voluntary. Workers shall receive annual leave and public holidays in accordance with local law.**

# Human Rights and Labor Practice



05

## FREEDOM OF ASSOCIATION

The supplier shall respect its employees' right of freedom of association, including the right to collective bargaining, the right to join a trade union and all other workplace rights as mandated by legislation. Where there is legislation that mandates the election of work representatives or the establishment of joint consultative mechanisms, the supplier shall make sure these are in place.

**The supplier shall ensure that representatives of trade unions and their associated activities are not subject to discrimination and are able to undertake their representative functions in the workplace.**

06

## DISCRIMINATION AND HARASSMENT

The supplier will comply with all local laws and regulations regarding unlawful discrimination. The supplier must ensure that the workplace is free of harassment and unlawful discrimination and that employees are treated equally with respect and fairness.

**The supplier shall not discriminate directly or indirectly against its employees in relation to compensation, access to training, promotion, termination, retirement or any other aspect of their work. This is in relation to their race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership, political opinions, HIV/AIDS status or any other characteristic that might give rise to discrimination.**

07

## PRIVACY

The supplier shall protect the employees' privacy whenever the company gathers employee information for genuine use.

# Human Rights and Labor Practice



08

## IMMIGRATION COMPLIANCE

The supplier may only engage workers who have a legal right to work. If the supplier engages foreign or migrant workers, such workers must be engaged in full compliance with the immigration and labor laws of the host country.

09

## GRIEVANCE PROCESSES

The suppliers shall have a formal grievance mechanism for workers to report incidents of harassment, abuse, breaches of privacy or other concerns. All grievances should be investigated, and appropriate action taken to address the issues raised and to prevent any further occurrence.

10

## LAND RIGHTS OF COMMUNITIES

The suppliers shall commit to respect the rights and title to property and land of the individual, indigenous peoples and local communities. All negotiations regarding their property or land, including the use of and transfers of it, adhere to the principles of free, prior and informed consent, contract transparency and disclosure.





**Suppliers shall provide and maintain a safe work environment and integrate sound health and safety management practices into their businesses.** Workers shall have the right to refuse unsafe work and to report unhealthy working conditions.

01

## HEALTH AND SAFETY PERMITS

The supplier shall obtain, keep current, and comply with all required permits and laws regarding health, safety, hygiene, sanitation, fire safety, electrical, mechanical and structural safety.

The supplier shall have a structured health and safety management system in place. It is its responsibility to consult their employees on health and safety issues, either directly or through a safety representative, to give their employees information about the risks at their workplace and on actions that have been implemented to protect them, to provide them with adequate collective and/or individual protective equipment and control the safe use of machinery and to train them on how to deal with the risks.

02

## MANAGEMENT COMMITMENT

The supplier shall have a defined health and safety policy and objectives. A competent and qualified health and safety responsible person is accountable and reports into an appropriate level of the supplier's organization.

03

## INVESTIGATION

The supplier shall put in place processes to record and investigate accidents, near misses and first-aid events. This investigation includes a root cause analysis and preventative and corrective actions to prevent reoccurrence. The supplier is prohibited from taking punitive measures against its employees for reporting or having accidents, near misses or first-aid events, unless the employee is shown to be willfully negligent.



04

## SAFE WORKING ENVIRONMENT

The supplier regularly assesses its work environment for health and safety hazards and to eliminate, control or mitigate those hazards. The supplier shall provide workers with appropriate workplace health and safety training in their primary language. Health-and safety-related information shall be accessible at the point of work. The supplier shall issue its employees with the necessary personal protective equipment, at no cost, to protect their health, safety and welfare.

**The supplier shall monitor its working environments to assess the exposure of workers and visitors to occupational health hazards, including but not limited to chemical exposure, dust, noise and fumes.**

05

## EMERGENCY RESPONSE

The supplier must identify and plan for emergency situations, define a business continuity plan and implement and train its workers on response systems, including emergency reporting, alarm systems, worker notification and evacuation procedures, worker training and drills, first-aid supplies, fire detection and suppression equipment, and accessible exit facilities.

In practice, CLARINS's suppliers have to protect their employees from fire, explosions, natural hazards (earthquakes, hurricanes...), exposure to toxic chemical products, exposure to physical hazards due to the workplace environment. Measures have to be taken to prevent them from happening as much as possible. In case those events actually occur, emergency procedures must be available and effective.



06

## CONTRACTOR MANAGEMENT

The supplier shall have health and safety processes to ensure effective contractor management. The suppliers must provide to CLARINS a summary of the safety and health procedures in effect within the company.

07

## HOUSING CONDITIONS

The supplier shall provide workers with reasonably accessible and clean toilet facilities and drinkable water.

Supplier-provided dining, food preparation and storage facilities shall be sanitary. Worker dormitories provided by the supplier or a third party shall be clean and safe and shall provide reasonable living space.





**Suppliers shall comply with all applicable environmental laws, regulations, permits and standards in relation to their business and operations.**

They should promote environmental responsibility within their companies and enhance the development and utilization of technologies aimed to limit as much as possible any impact on the environment as described in the guidelines provided in the “Responsible Ingredient Sourcing Charter” and commit to the list of forbidden products to be used in the conception of CLARINS’ products.

01

## **ENVIRONMENTAL PERMITS AND REPORTING**

The supplier must obtain, maintain and keep current all required environmental permits (e.g., discharge monitoring), approvals and registrations.

02

## **HAZARDOUS WASTE MANAGEMENT**

The supplier must effectively identify and manage the safe handling, movement, storage, and disposal of chemicals and other substances that pose a threat to the environment, including providing workers with appropriate training on the safe-handling and disposal of hazardous substances.

03

## **MANAGEMENT OF ENVIRONMENTAL IMPACT**

The supplier should manage compliance, minimize environmental impact and drive continual improvement through the implementation of a supplier management system.



04

## ANIMAL WELFARE

If applicable to their business, suppliers shall manage all significant potential and actual adverse impacts on animal welfare.

They ensure to continuously improve throughout their supply chain the compliance with best practices that are focused on animal welfare.

05

## ENVIRONMENTAL IMPACT

Clarins ask suppliers to conduct their businesses in an environmentally responsible manner by ensuring compliance of their operations with relevant legal requirements, environmental norms and specific industrial environmental regulations including but not limited to, laws regarding to solid and hazardous waste, waste water treatment, water consumption and air emissions.

They ensure to have appropriate mechanisms in place to keep management and key staff up to date. Suppliers are expected to be committed to minimize the environmental impact of their production processes and products and to respect ecosystems and biodiversity, taking also into consideration soil conservation and the management of the surrounding territory.

06

## MONITORING AND MEASUREMENT

The supplier should develop robust means by which it identifies and monitors the environmental impacts of its activities.

This should include use of materials, waste and emissions. The supplier must be able to demonstrate compliance with permits and show effective control of its impacts.

**If the supplier is subject to enforcement action, such as fines of prosecution as a result of compliance failures, these will be notified to CLARINS.**



# Compliance & Audits

**CLARINS reserves the right to audit its suppliers' compliance with this Policy.**

Audits are facility inspections that may include employee interviews and a review of supplier records and business practices. Such audits are conducted by CLARINS staff or an appointed audit firm. If an audit identifies a violation of this Policy, the supplier shall act promptly to correct the situation to CLARINS' satisfaction.

Serious breaches of the provisions of this Policy, or the supplier's failure to remedy breaches identified through an audit, may bring CLARINS to terminate its relationship with the supplier.





## *Responsible Procurement Charter*

# THANK YOU

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We have the conviction that we have to take care of the planet and improve the lives of current and future generations

**Together, we should accelerate to make life more beautiful and pass on a more beautiful planet**

