



#codeofconduct

 **cetes**
COSMETICS

Content

Message from the President.....	2	6. We protect our assets and respect privacy.....	11
The Cetes Cosmetics Core - 3Cs	3	• A photo from the Internet	
What is the Code of Conduct?.....	4	7. We compete fairly.....	13
Our 10 rules	5	• A price war	
1. We provide a safe and secure workplace for all employees	6	8. We always act in the best interest of Cetes Cosmetics	14
• A day you cannot miss		• Family ties	
2. We treat each other with respect and dignity	7	9. Human rights and labour laws are indisputable.	15
• Unacceptable views		• Request for a promotion	
3. We never tolerate corruption	8	10. We strive to be a sustainable company	17
• Customs clearance		For suppliers.....	19
4. We use good judgement regarding entertainment and travel.....	9	Policies.....	20
• A “thoughtful” gesture			
5. We maintain accurate financial records and comply with all disclosure standards	10		
• A suspicious invoice			

Message from the President

When you're an employee of Cetes Cosmetics, regardless of which country you work in or what your position is, the Code of Conduct applies to you. Together with our policies and guidelines, it sets out the framework that leads us to making the right choices at work – with a high level of integrity and a strong ethical and moral conscience. Therefore, all of us should feel a shared responsibility for the Code of Conduct. If you ever experience or encounter behaviour that jeopardises our Code, I count on you to speak up and help us fix it. If there are any specific situations not addressed by the Code of Conduct or the policies, we must always comply with the applicable laws.

This Code is part of our long-term commitment to becoming a truly sustainable company. We are reliable, open and transparent. We are proud of our ethics and values and we want to share them with the world.

We are proud of our professionalism and care about enabling people to have enjoyable working environment, to help our customers and allow people to fulfil their beauty dreams by enjoying our products.

Our entrepreneurial spirit helps us to be good at what we do and always strive for excellence. There is always more to do, and better ways of doing it. We are all part of the worldwide Cetes Cosmetics community and if we work together and support each other, I am confident we will reach our vision to enable each person around the world to be fulfil their beauty dreams with our products.

Yours sincerely,

Gabriel Bennet,
President



Cetes Cosmetics Core - 3Cs

Collaborate

How we work together with our employees, customers and business partners is our biggest asset. We value teamwork, cooperation and always respect each other.

Create

We are driven and open minded. We have the knowledge and confidence to bring creative solutions. We learn how to do things better. We change to new consumer demands.

Care

We are professional and care about our work, our customers and the people who use our products. We follow global standards for manufacturing, environment, safety and governance.



What is the Cetes Cosmetics Code of Conduct?

When we do business, we always comply with the laws, regulations and policies established by governments and international institutions. We have an utmost respect for the rule of law and expect you to share this respect. But we are also going the extra mile. You should know that you work for a company that you can trust, where you can feel safe and comfortable. You work for a company that wants you to grow and gain new skills in a collaborative work environment. Enabling people to fulfil their beauty dreams with our safe and sustainably manufactured products is Cetes Cosmetic's mission and our biggest commitment.

The Cetes Cosmetics Code of Conduct is a manifestation of this commitment. It is a set of rules, a source of direction and an ethical framework to support you when making important decisions during your working life at Cetes.

The Code applies to all Cetes Cosmetics employees. If you witness or become aware of a possible violation of the Cetes Cosmetics Code of Conduct, you must report it immediately, and take action if possible.

You can submit a report to your manager or to any manager. You can also email your concerns to **speakup@cetescosmetics.com**, a mailbox owned by the Global Assurance team. We will treat it with respect and the utmost confidentiality. Cetes Cosmetics will never discriminate against or punish any individual for reporting, in good faith, actual or suspected infringements. Confirmed breaches of the Code of Conduct are considered to be breaches of the conditions of employment and can therefore lead to disciplinary measures proportionate to the severity of the breach.

“As part of our culture of trust – you should speak up if something isn't right, so we can address the problem.”

Our 10 rules

1

We provide a safe and secure workplace for all employees

#safeenvironment – A day you cannot miss

2

We treat each other with respect and dignity

#giverespect – Unacceptable views

3

We never tolerate corruption

#anticorruption – Customs clearance

4

We use good judgement regarding entertainment and travel

#travelandentertainconsciously – A “thoughtful” gesture

5

We maintain accurate financial records and comply with all disclosure standards

#financialintegrity – A suspicious invoice

6

We protect our assets and respect privacy

#privacy – A photo from the internet

7

We compete fairly

#competefairly – A price war

8

We always act in the best interest of Cetes Cosmetics

#avoidconflictinterest – Family ties

9

Human rights and labour laws are indisputable

#equalrights – Request for promotion

10

We strive to be a sustainable company

#sustainability

1. We provide a safe and secure workplace for all employees

Health and safety always come first, and are extremely important for Cetes Cosmetics

We are committed to complying with local and national health and safety requirements at all times.

At Cetes Cosmetics, we commit to provide all of our employees and other personnel with premises, equipment, tools and processes that generate the minimum level of risks for the health and safety of those persons.

We have policies and procedures at all levels to ensure we detect, assess, and mitigate health & safety risks adequately.

We expect all Cetes Cosmetics employees to immediately act upon any health and safety risk they encounter, directly mitigating it if they can do so, or reporting it to appropriate levels of management.

#safeenvironment

A day you cannot miss



Piotr is an operator on a semi-automatic filling machine. During the normal course of operations, a jar gets stuck under the filler and blocks the whole machine. Piotr can easily open the access doors and remove the jar, the machine will restart automatically. But he has never received clear instructions how to do this. Alternatively, he can let his supervisor know about the blockage and wait for a maintenance colleague to remove the blockage and resume work. What should he do?



It's not a good idea to bypass existing safety systems. They are here for a reason; in this case, to prevent anyone from being injured by moving parts. It does not matter if we are losing a few minutes, the risk of getting your hands trapped into a moving machine is just not worth it.

Hands are the number one injured body part in production facilities. They are also one of your most important tools.

Protect your hands! Bypassing safety systems or otherwise disrupting them is a serious misconduct.

2. We treat each other with respect and dignity

We are against any form of discrimination

We make sure that every single employee is afforded the same opportunities for personal and career development regardless of gender, ethnicity, nationality, age, sexual orientation, political or religious affiliation, or physical ability.

Our recruitment process focuses solely on finding the right person for the job, who is skilled for the position and has a cultural fit to the company. All the recruitment decisions are based on the performance, experience and potential of the candidate.

We have zero tolerance for harassment

No form of physical, verbal or non-verbal abuse, bullying, inappropriate comments, harassment or any other form of hostile conduct towards anyone is ever accepted, in or outside the workplace.

#giverespect

Unacceptable views



Rudra's team has a new manager. This person is a highly skilled professional, who has a lot of experience both of IT and team management. However, Rudra recently overheard this person making racist comments on the phone about Rudra and his colleagues. Rudra is offended and thinks the racist comments actually constitute a breach of the Code of Conduct. But Rudra is worried that his career could be at risk if he confronts the new manager. What should he do?



Rudra is absolutely right to be angry. No one is above the Code of Conduct. If Rudra wants to act, he can report the incident to: speakup@cetescosmetics.com.

The Global Assurance team will launch an investigation and determine what disciplinary actions are to be taken against the manager.

3. We never tolerate corruption

Employees of Cetes Cosmetics are not permitted to give or offer, receive or solicit anything of value for the purpose of obtaining or retaining an unfair business advantage.

As an example, this could be, but is not limited to, cash, forgiveness of debts, loans, entertainment, meals and travel, political and charitable contributions, business opportunities and medical care.

#anticorruption



Customs clearance



Yao Fen is a Factory Director. On weekends, they play football at the local club, where they met Li Bai, the head of the local fire safety and environmental protection agency. Li Bai has offered Yao Fen to expedite Cetes' application for a renewed fire safety certificate, in exchange of gifts for their team. What should Yao Fen do?



Whatever the value of the gifts and however quickly you want things to move, we NEVER give anything of value in exchange of an undue advantage. This is called a bribe and at Cetes Cosmetics, we do not offer, give, solicit or accept bribes of any kind. The laws in some countries impose large penalties onto companies for bribing government officials. They also impose severe sanctions on individuals involved in bribery schemes. For us, it's simple: bribery - of anyone, at any organisation, at any level - is always wrong.

4. We use good judgement regarding entertainment and travel

When travelling abroad for Cetes Cosmetics, employees are expected to be ethical role models. All actions should tolerate full transparency. This means that you should not put yourself in any situation that could harm the reputation of Cetes Cosmetics.

Gifts may never be given, offered, solicited or received with the intent or prospect of influencing the recipient's business decision-making. Any lawful gift, hospitality, entertainment, or other representation item of a nominal value must be approved in advance by the VP Finance, or alternatively by the President if VP Finance is involved.

Employees may accept and keep gifts if their value is in accordance with accepted business practice and Cetes Cosmetics policies, and as long as those gifts cannot be seen as improperly influencing the employee's business judgment or appear to place them under obligation to perform, or not perform, certain actions.

[#travelandentertainconsciously](#)

A "thoughtful" gesture



Vasylyna is a long-time employee of Cetes Cosmetics and throughout her career in Sales she has supported many customers. As a sign of gratitude, they sometimes give her a small gift – such as a box of chocolate. But this time, a customer offered a more substantial thank you – a week at a resort for Vasylyna and her family. It's been a long time since Vasylyna took a proper holiday, but she is also sceptical about the appropriateness of this gift and afraid accepting it could compromise her integrity. What should Vasylyna do?



It's absolutely OK for employees to receive small gifts from customers, colleagues and business partners, if the value of the gifts is in accordance with accepted business practice and Cetes Cosmetics policies. However, more substantial gifts can be considered a bribe. The correct response to these situations is to politely refuse the gift. In some regions it is customary and even necessary to exchange gifts before doing business. If this applies to your region, you should consult your manager and local Finance department before making any decisions.

5. We maintain accurate financial records and comply with all disclosure standards

We must ensure that we follow all applicable standards, principles, laws and practices for accounting and financial reporting. As employees we must also ensure that no part of any payment is to be made for any purpose other than what is fully and accurately described in Cetes Cosmetics' books and records.

No undisclosed or unrecorded accounts are to be established for any purpose. False or artificial entries are not to be made in Cetes Cosmetics' books and records for any reason. Personal funds must not be used, and cannot be claimed as expenses, if a bill or invoice is questionable in nature.

#financialintegrity



A suspicious invoice



As part of her weekly Friday afternoon routine, Agata is signing the payments booked by accountants. There is an invoice for office cleaning services from the company Cleanplus for the last month. The invoice has been approved by the office manager. But Agata remembers that she already signed a payment last week for a company with a similar name – Cleantop – for that very same service and period. The office manager has signed this invoice, so it should be OK to just pass it on and besides, Agata has called the facility manager so many times this week already. She doesn't want people to think she is incompetent! Should she investigate this invoice or let it pass?



In the end, Agata decided to call the facility manager and ask about this invoice. After checking the books together, they found that the company called Cleanplus did not even exist – it was a fraud attempt by one of Cleantop's employees.

Keeping careful records is not just a legal requirement – as you can see, it can also protect our company from harm or unlawful behaviour.

When in doubt – spend some extra time to go back and check that everything is approved and in line with our contracts, agreements and legal requirements. Better safe than sorry.

6. We protect our assets and respect privacy

It is our responsibility to ensure that the company's IT systems are used efficiently, ethically and lawfully, and that they are used only for business or related activities. Likewise, physical assets such as laptops – and the information they contain – must always be treated with care. Laptops and storage devices should therefore never be left unsecured.

To ensure compliance, and protect the interests of Cetes Cosmetics, our customers and others, Cetes Cosmetics has the right to access, and when necessary disclose, records of how employees have used the company's systems and data to the extent that this is allowed by local legislation. Everyone at Cetes Cosmetics is legally required to comply with all copyright laws and proprietary software-licence agreements. We respect the privacy rights of any person whose personal data is processed by us at Cetes Cosmetics. We

handle personal data responsibly and in compliance with all applicable privacy laws. Processing of personal data is always done fairly, lawfully and transparently. Preserving the trust of our customers requires that each employee takes measures to protect the personal data they have access to.

We always consider data protection principles at the design phase of any new service or product and throughout their lifecycle. We know and understand our responsibilities in relation to the personal data we hold of employees and customers.

#privacy

A photo from the Internet



Theodor is the newest addition to our marketing department. His our first task is to create a poster featuring new Cetes Cosmetics products with clean formulations. After spending some time with the concept, he decides it would be cool to feature real people on the poster, instead of the ones from stock photos. He goes to Facebook and finds some nice photos of his friends. However, Theodor hesitates to use them. What if they protest? What if there are legal issues? Should Theodor put his friends on the poster?



At Cetes Cosmetics we value the privacy and intellectual property of other people. In this case, Theodor should consult his manager before making any decisions. If the manager approves this creative choice, Theodor should still ask his friends for their approval and have them sign a special consent form.



7. We compete fairly

At Cetes Cosmetics, we conduct business in accordance with all applicable antitrust/competition laws. This applies to all Cetes Cosmetics employees.

These laws prohibit agreements, deals or understandings between competitors that may restrict competition (agreements on price, markets or customers, price discrimination and so on).

It is important that all Cetes Cosmetics employees know that they cannot talk business with employees of Cetes Cosmetics' competitors, unless they are specifically authorised to do so.

#competefairly

A price war



Magdalena is attending a trade fair in Bologna. The person next to her introduces himself as Pierre and it turns out that he is a sales director with another beauty company. After a while, he starts talking to Magdalena about the cosmetics business and complains about the price war going on in their market at the moment. This is a perfect opportunity to push Pierre to reveal the competitor's true intentions. Magdalena is good at this kind of game. However, if she starts talking to him about the price war, somebody may see them, and she knows she shouldn't be involved in that. Maybe it's better to just get up and move to another seat?



A few weeks later Magdalena reads an article about the trade fair in a business magazine. After an anonymous report, the local trade authority has launched an investigation into illegal market practices involving price fixing. The competitor company where Pierre works is involved. Luckily, Magdalena refused to talk to him and changed her seat, so Cetes Cosmetics is not caught up in that. We must always remember that we are Cetes Cosmetics' ambassadors and everything we do in our professional lives can affect our company. As this case shows, sometimes it's best to let the juicy business opportunity pass in order to comply with the law.

8. We always act in the best interest of Cetes Cosmetics

It is a conflict of interest for a Cetes Cosmetics employee to engage in business on behalf of Cetes Cosmetics with any firm that is owned, managed, or employs a close relative or friend. It is also considered a conflict of interest to have a financial interest in any firm that does or seeks to do business with Cetes Cosmetics or is a competitor of Cetes Cosmetics.

Cetes Cosmetics employees' relatives and partners are allowed to be hired to work at Cetes Cosmetics under certain conditions: the employee's title is not VP and up; the employee is not involved in the recruitment

process; the position is not in the employee's department or under the management of the employee.

Employees must disclose any such interest or relationship. If a case of conflict of interest occurs, the employee must remove themselves from the decision-making process related to the situation.

#avoidconflictofinterest

Family ties



Neysa works in the Health and Safety Department. She is in charge of supervising the safety campaigns and she and her colleague are busy evaluating offers from external ad agencies. One of the offers is from a company called Thakur Safety and it clearly outperforms all the others. Interestingly, the last name of Neysa's colleague is also Thakur – so she asks him if there is any relation to the company. The colleague reveals that the company actually belongs to his sister. So what should Neysa do about this offer?



The colleague should have told Neysa about his relationship to the company before the selection process, so someone neutral could have participated in the decision-making process regarding the offers. Now this creates a conflict of interest and carries a number of risks for the company, and those risks must be avoided whenever possible.

As a consequence, Neysa eliminates this offer from the tender procedure.



9. Human rights and labour laws are indisputable

We believe in diversity and equality

We offer equal career and development opportunities and promote a company culture that is inclusive and embraces the diversity of our employees. We strive for an equal distribution of men and women in all our management teams globally. We give all employees the same opportunities for promotion. We work actively to ensure equal pay for equal work and performance, benchmarked against external market data. We strive for equal representation of people with different backgrounds and broad experiences on our board, in our management teams and our workforce.

Everyone's responsibility

We are all responsible that our decisions, ways of working and behaviour ensure equality and do not discriminate. Managers in Cetes Cosmetics are required to follow these principles in their day-to-day

management of team members and to investigate and deal with potential cases of discrimination in a decisive and urgent manner.

We believe in an open environment and fair treatment

All employees have the right to freedom of association; this means that Cetes Cosmetics employees always have the right to join or not join unions and also the right to collective bargaining. We are committed to respecting all applicable labour laws and regulations, including minimum-wage rates and working-hour requirements, and we never employ staff below the national minimum age for employment. We strictly oppose all forms of forced labour and child labour as well as other forms of exploitation.

#equalrights

Request for a promotion



Luboslaw has worked at Cetes Cosmetics for some time now and has made significant progress. He is ready to take on more responsibility and climb the next step on the career ladder. However, his manager doesn't want to promote him and doesn't give Luboslaw any explanation about why not. What should Luboslaw do?



At Cetes Cosmetics we believe in equal opportunities for career development, so Luboslaw's manager's behaviour is questionable. If there are reasons why Luboslaw should not be promoted, he deserves to hear them. If Luboslaw's manager continues to dodge the question, Luboslaw should contact his manager's manager and his local Employee Experience department. If the matter is not solved and there is a suspicion of unethical behaviour, speakup@cetescosmetics.com should be used to report it.



10. We strive to be a sustainable company

We respect our planet and try to conduct our business without harming them. We also have a long-term vision to become a 100% sustainable company. We have a determination to increase our positive impact while reducing any negatives.

Caring for Nature

For more than a decade we have been systematically trying to reduce our impact on nature. Respecting nature starts by truly valuing its contribution. This includes valuing the services nature provides, such as clean air and water, a stable climate, fertile soil and vibrant wildlife. We want to make our business completely environmentally sustainable. Of course, we are already on the path towards sustainability, and are always finding new ways to accelerate towards it.

In practice, this means:

- Preventing deforestation
- Avoiding the pollution of air, land and waterways

- Decarbonising our demand for energy, fuel and ingredients
- Safeguarding animal welfare
- Driving demand for environmentally responsible products both in terms of the formulations and materials we use and the packaging we choose.
- Creating formulations that have the least possible impact on the plant

Caring for People

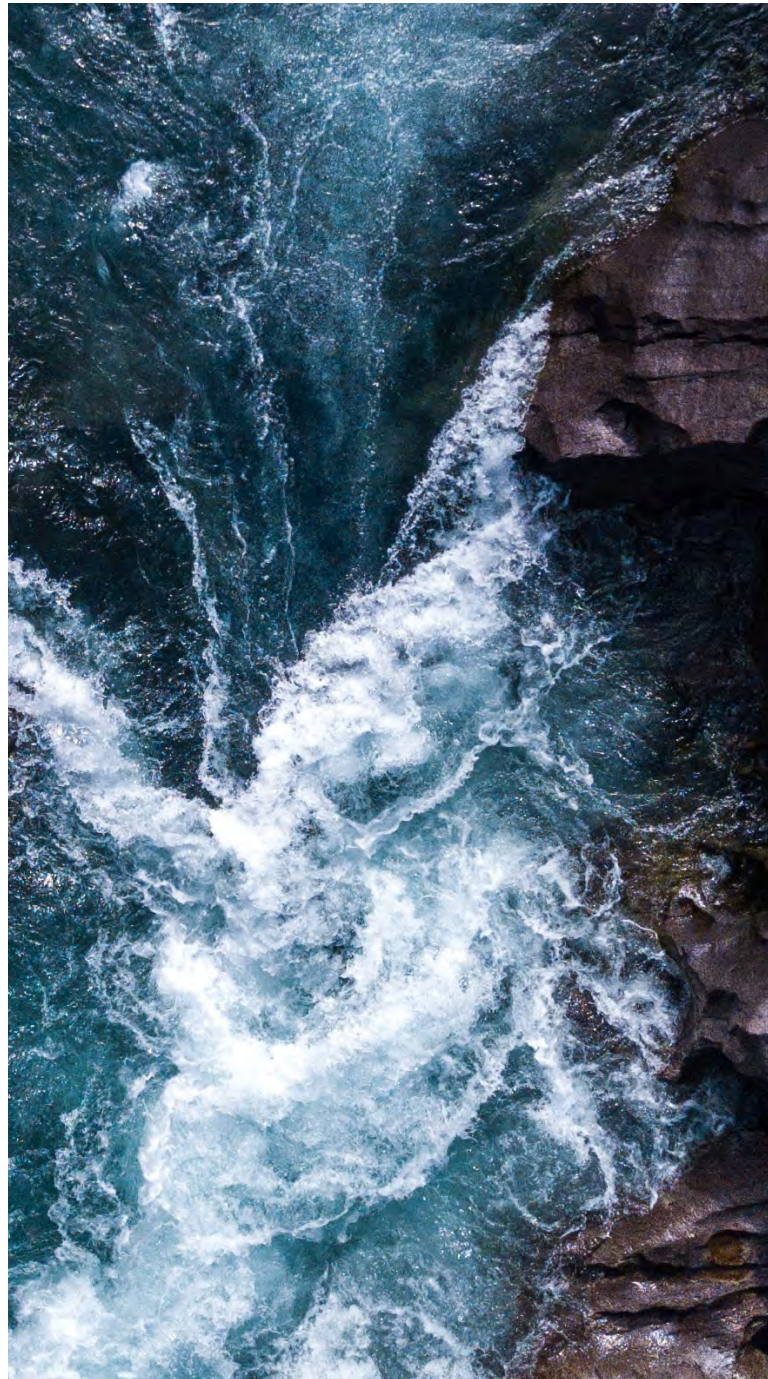
Social responsibility is important to Cetes Cosmetics because of the impact and potential influence we have on people around the world. Our business touches millions of lives every day, through our employees, suppliers, customers, the communities where we operate and the people who use products manufactured by us.

Our commitment to social sustainability is an ongoing one. As a company we address issues such as human rights, consumer safety, diversity and inclusion, anti-corruption, fair remuneration and employee

health and safety.

Cetes Cosmetics' approach to human rights is based on the UN Guiding Principles on Business and Human Rights and applies to all entities within Cetes Cosmetics.

#sustainability



Code of Conduct for suppliers

We believe that corporations have the same social and ethical responsibilities as individuals. Therefore, our major suppliers must adopt Cetes' Supplier Code of Conduct, a policy that covers internationally recognised standards and the basic requirements related to human rights, labour, environment and anti-corruption. We will never do business with anyone who is suspected of violating any of the laws and ethical principles we value.



Policies

The Code of Conduct is supported by a number of policies that contain further detailed requirements, some of which are listed below. These policies apply to all employees. You can access the full list on our internal communication site.

- Confidentiality and Information Protection Policy
- Security and Occupational Health and Safety Policy
- Global Representation Policy

At Cetes Cosmetics, we stand behind the eight conventions considered to be fundamental principles and rights at work: freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.



Enabling people to fulfil
their beauty dreams with our
safe and sustainably
manufactured products

