



Code of conduct

Faithful to its founding values - **Independence, Excellence, Quality** - SILAB has been a world leader in the field of engineering natural active ingredients for cosmetic and dermo-cosmetic industry since its creation in 1984. SILAB is committed to developing, manufacturing and marketing safe, effective, ethical and responsible products, in accordance with its Actively Caring program. The foundation of the company is also based on strong human values that individually involve each employee.

Wherever it is established in the world, in France, the United States, Brazil, China, Singapore and Japan, SILAB is committed and asks all its employees and all its stakeholders to adopt a responsible, ethical and sustainable business.

We expect from each employee appropriate behavior that helps preserve the image of the company and respects its material and immaterial assets. We have put in place clear policies to guide employees in their behavior and to remind them of the importance of these assets for the sustainability of the company.

All employees are involved in respecting our values and play a crucial role in our development.

These rules of conduct are described hereafter.

Our RESPONSIBLE conduct of business

IN OUR RELATIONS

WITH OUR EMPLOYEES

We ensure compliance with all labor legislation in the countries in which we operate, and we apply the principles set out in our Human resources charter.

Health and safety

Providing a healthy and safe work environment for all our employees is a fundamental consideration. Equipment and tools are in good condition and are adapted to the tasks at hand. We believe that every injury, occupational disease, and safety incident is avoidable. We have implemented procedures and protocols for the active prevention of risks that could affect the health and safety of our employees.

Every collaborator must comply with applicable laws and regulations, as well as with SILAB group procedures and protocols whose objective is to guarantee safe working conditions such as Unilateral charter on the right to disconnect.

We are committed to having our managers and their teams responsible for protecting their health and preventing workplace accidents.

We train and inform our employees on health and safety issues. This training pays special attention to the correct handling and storage of chemicals, to the correct use of machines and tools and to procedures for the safe evacuation of buildings and work stations.

Our collaborators have to report and record all incidents and near-incidents, as it is crucial to analyze their root cause and to implement the measures necessary to avoid their reappearance.

Reports must be made to managers and to health and safety teams using any means available including the intranet.

We require all external service providers working in our premises to apply our health and safety procedures and protocols and comply with all existing legislation.

Sexual and psychological harassment

We do not tolerate any act of psychological or sexual harassment or any sexist or violent actions in the workplace, that may be in the form of behavior, words or actions that would adversely affect the dignity or integrity of a person. We intend to provide a safe workplace where the dignity of every employee is recognized and respected.

We encourage the vigilance of all to report any case of a situation of harassment or inappropriate actions.

We have appointed sexual harassment officers in France and there is a process available for triggering an alert for all national and international collaborators and stakeholders.

Remuneration

We ensure that all our collaborators receive a decent and competitive remuneration consistent with the practices in the countries in which we operate, that we determine at regular intervals using studies and benchmarks.

The remuneration of our collaborators is at least equal to the minimum legal wage in each country and is paid on the same monthly or bi-monthly date.

Our collaborators are free to request advance salary payments and there will be no salary deduction to punish a collaborator or reimburse an obligation or a debt to a third party except for those imposed on the employer by administrative authorities.

Training

We allow all each employee to develop his skills to drive the growth of the business. We commit to investing in the training of our staff at a level beyond that required by the regulations.

Equality and diversity

We refuse any type of discrimination and commit to positively act in favor of diversity. We therefore prohibit discrimination based on origin, sex, age, way of life, political or religious opinion, state of health, disability or any other characteristic not directly related to the skill sets of our collaborators.

We apply the principle of non-discrimination to all aspects of professional relations, whether hiring, assignment of missions, access to training, managing careers or pay raises, and this is formally documented in our Human resources charter.

Our recruitment service providers are required to apply non-discrimination principles in the selection processes for the positions we ask them to fill.

Convinced that differences are sources of rich human potential, and in compliance with the Diversity charter to which we adhered since 2013, we encourage cultural, ethnic and social diversity, as well as gender diversity in our teams.

We have created action plans to promote professional equality between women and men, the occupational integration of young people, keeping older workers on the job and inclusion of people with disabilities.

Labor relations

We respect the freedom of association and the right to collective bargaining of our employees, who are free to decide if they want to be represented by a union, to join associations of their choice, to exercise their right to strike or demonstrate.

We respect regulations concerning the organization of elections of staff representatives and on holding meetings and consultations.

We include our employees in our development by promoting the circulation of information, coordination and by implementing a permanent dialog.

IN OUR RELATIONS WITH OUR CLIENTS

In order to enable our customers to respect their own regulatory obligations concerning the marketing of their products, we are committed to be transparent in terms of the safety, efficacy and quality of our products by providing clear and precise information.

Several specific services ensure compliance with the standards of manufacturing and marketing of our products. None of our products contain material prohibited by applicable legislation or by applicable industry standards.

We communicate the list of ingredients used for our products and are transparent concerning their production and development processes. We conduct tests to guarantee the efficacy and safety of our products. All our clinical trials are conducted by laboratories certified by local authorities. In particular, our biomedical research laboratory is certified by supervisory authorities in France, regional health agencies.

In order to secure the import and export processes of our products, we also ensure compliance with national and international customs regulations in all circumstances, in particular by our Authorized economic operator (AEO) certification in France and Customs-trade partnership against terrorism (C-TPAT) in the USA.

We are also committed to implementing processes to guarantee the traceability of all components used in production.

IN OUR RELATIONS WITH OUR SUPPLIERS AND OUR SERVICE PROVIDERS

We are committed to proving diligence in partnerships with our suppliers and service providers by promoting both balanced long-term relationships and to the extent possible, by creating a competitive environment with our partners to prevent situations of supply monopoly.

All our partnerships are rendered contractual by not less than written purchase orders.

IN OUR RELATIONS WITH OUR COMPETITORS

Competition law (national and European) prohibits any restrictive competition practices. In particular, agreeing or discussing price fixing or the distribution of markets or territories with competitors is strictly prohibited.

Our employees are then required to comply with competition rules and shall ensure that exchanges of information they may have with competitors (in particular in the context of professional associations) cannot constitute a prohibited agreement or understanding.

We are convinced that innovation must be the only driver of competition and prohibit all competitive strategies based of the violation of intellectual property rights or the illicit use of the know-how of others.

Our ETHICAL conduct of business

RESPECT OF HUMAN RIGHTS

We place very high importance on the respect of the person, of their freedom and fundamental rights in all workplace relations.

We are committed in all countries and regions in which we operate to respect human dignity and human rights and to apply the principles of legislation governing the protection of fundamental human rights, the protection of workers and the prohibition of child labor, in particular:

- the Universal declaration of human rights;
- the Global compact signed in New York on July 26, 2000;
- the declaration of the International labor organization (ILO) dealing with fundamental principles and rights at work adopted on June 18, 1998 and revised on June 15, 2010;
- the guidelines of the Organization for economic cooperation and development (OECD).

We require our suppliers to act in the same way by signing our Responsible purchasing charter and we are developing a program to assist them in this approach.

Forced labor

We prohibit any forced or undeclared labor, and no work shall be obtained under constraint, threat or that deprives workers of their rights.

All labor relations are therefore voluntary and are governed by contractual provisions. No identity paper or salary shall be held by us. We officially declare all our collaborators, enabling them to exercise their rights and to participate in union or collective financing by paying dues.

Child labor

We prohibit the direct or indirect use of child labor.

We also prohibit practices that could impede schooling and/or the educational development of children, regardless of legislation on the minimal age for working in countries in which we operate.

Personal data

We are committed to respecting the private lives of individuals and the confidentiality of their personal data, and to guaranteeing data security and protection.

We collect personal data only for the strict needs of our activity and in compliance with applicable regulations.

The collection, storage and deadlines for retaining personal data are organized by in-house procedures.

SILAB has designated an in-house Data protection officer responsible for ensuring compliance with data protection legislation.

ANTI-CORRUPTION

With importance attached to preserving its integrity in its business relations, SILAB requires its stakeholders (service providers, suppliers, clients, employees...) to exhibit exemplary behavior and compliance with all national or international legislation and regulations, and good practices concerning ethics and transparency.

In particular, SILAB collaborators must take steps to avoid:

- any behavior that is directly or indirectly involved in corruption or influence peddling.

Corruption is defined as a situation when a person with a determined function (public or private) is soliciting or accepting any gift or advantage in order to accomplish or to abstain from accomplishing an act associated with his or her functions.

We distinguish active corruption (proposing any gift or advantage to the person with the determined function) from passive corruption (the person with the determined function accepting the gift or advantage).

Influence peddling is defined as a person monetizing his or her real or supposed quality or influence to affect a decision that will be taken by a third party.

- any situation in which the person must choose between the duties and requirements of their position and their own private interests, and more generally any fact involving a conflict of interest.
- any act involving intentionally deceiving a person in order to obtain an advantage, and more generally any fact involving fraud.
- any act aiming to conceal the origin, property or destination of money obtained illegally or fraudulently, and more generally any fact involving money laundering.

Specific rules

1. Gifts and invitations

As part of SILAB's business relations, employees may be asked to send or receive gifts and/or invitations to events. The conduct to be observed in this context is defined in the Gifts and invitations policy.

This document is attached to this Code of conduct and forms an integral part of it.

2. Philanthropy and sponsoring

We are committed to conducting philanthropy and sponsoring actions in compliance with existing national and international rules, transparently and with clear understanding of our philanthropic activities. We act mainly through our Corporate foundation to support young researchers studying cutaneous pathologies, as well as by supporting athletic and/or cultural events sponsored by our employees.

Philanthropy and sponsoring actions require approval by the Chief executive officer and are to be conducted without seeking advantages other than promoting SILAB's image.

3. Interest representation (lobbying)

Lobbying (or interest representation) involves the direct or indirect contact with a public official in order to influence a public decision, in particular the content of a bill or regulatory act, to defend special values and interests. Lobbying actions require approval by the Chief executive officer. They must be clear and transparent.

4. Facilitation payments

Facilitation payments are unofficial payments (in opposition to legitimate and official fees and taxes) given to facilitate or accelerate formalities, in particular administrative such as applications for permits, visas or passage through customs... Facilitation payments are prohibited except for compelling reasons (protection of the health/safety of an employee) and in such a case, only with prior and unanimous approval of the Management board acting as a collective decision-making body.

5. Conflict of interest

If circumstances generate a potential or real conflict of interest, the collaborators concerned must inform their manager.

Means against corruption

1. Financial transparency

The fight against corruption is based primarily on complying with financial transparency.

We guarantee that our financial statements are established in strict compliance with existing standards and regulations. The information provided reflects reality and is an accurate portrayal of the company's financial situation.

Independent auditors conduct annual audits of our financial statements in order to ensure their compliance with existing accounting and fiscal regulations in the countries in which we operate.

2. Internal control

We have implemented in-house procedures to verify financial flows. The processes for validating payments and selecting service providers involve several participants of different hierarchical ranks and departments.

3. Employees awareness

When beginning their employment at SILAB, each new employee benefits from an ethical awareness training module explaining the topic of corruption and behavior to adopt.

4. Partners and suppliers awareness

We have created a Responsible purchasing charter for our commercial partners that in particular defines our expectations in terms of ethical standards.

5. In-house alert system

We have set up an alert system to report any suspicious behavior or one that is contrary to ethical and/or regulatory standards.

SILAB protects the whistleblower reporting an illicit fact or threats to general interest of which they became aware while doing their job, in good faith and with no financial counterpart. It may involve a crime, violation of rules or a serious threat to public health. Economically, it may also involve corruption, influence peddling, illegal conflict of interest, etc.

INNOVATION-RESEARCH

We ensure that we maintain an elevated level of innovation to meet the needs of our clients and remain at the cutting edge of research in our area of activity.

We are convinced that scientific integrity must be at the heart of our innovation approach. Our research activities are carried out with the necessary honesty and rigor. Any communication on our results is made on the basis of the state of our scientific knowledge at the time of their publication.

We select our research partners based on criteria of scientific expertise and for whom we have previously identified the scientific value of this expertise for our innovation projects.

USE OF INFORMATION TECHNOLOGIES

Fully aware that our activity occurs in a constantly progressing world and considering the rapid advances of technological tools available on the market, we are committed to ensuring that the use of information technologies is strictly limited to the needs of our activity and respects ethical standards, especially if there is a regulatory shortfall.

The ethical standards in question should prevent any technological deviation resulting in compromising personal rights, encouraging unfair competition between players on the same market or the leakage of sensitive data of SILAB or of its stakeholders.

Our SUSTAINABLE conduct of business

BUSINESS CONTINUITY PLAN

We have engaged the company's continuity for our clients, suppliers, employees and other stakeholders by implementing a robust business continuity plan. We include in the plan the availability of material good, talents and intangible assets such as data, in order to guarantee the continuity of our activities in difficult conditions.

PROTECTION OF TANGIBLE AND INTANGIBLE ASSETS

Protection of tangible assets

Elevated importance is attached to protecting the company's tangible and intangible assets. We make sure that every employee is aware of the importance of these assets for our company's continuity over time.

We require every employee to respect company assets available to them and to use them only as intended. A Charter on the use of IT resources contains the conditions in which computer hardware available to staff can be used. This charter is appended to our internal regulation.

Data protection

Utmost importance is given to our data and activities that could inflict critical consequences on our assets, as well as on those of our ecosystem.

Consistent with this, we have created and continue to support a specific cybersecurity organization headed by our Information systems security manager who defines and applies all organizational and technical measures necessary to reduce these threats to the confidentiality, integrity and availability of our critical assets, and also to comply with all existing legislation and regulations.

Our Charter on the use of IT resources and the Social networks charter are applicable to all our employees. They undergo regular training and sensitizations for good cybersecurity practices and the use of information systems and data processed.

The use of these procedures and resources enables SILAB to be positioned as a trusted link in the ecosystem in which it operates.

Aware that every bit of information is valuable for the person divulging it, we ensure that the confidentiality of the data of the company and of its stakeholders is respected by guaranteeing that sensitive information is not disclosed to unauthorized third parties. We sensitize and train our employees in the domain of confidentiality and have implemented the necessary security and organizational measures to protect these data from the risks of disclosure, hacking and fraud. The Social networks charter describes the behavior to

adopt by our employees on this type of platforms to protect SILAB's information and image.

Intellectual property

Our products are protected by intellectual property rights. A special department in the company conducts the actions necessary to protect our brands, our patents and our know-how from any violation.

ENVIRONMENT

Because putting our goals into practice is of fundamental importance, we comply with the powerful guideline of the Science Based Targets initiative that aims to maintain the result of greenhouse gas emissions below the threshold of a 2°C temperature increase over preindustrial levels.

The company's environmental policy is applied to the entire life cycle of products and to the operation of its production site at Saint-Viance, France. An overall action plan involves the reduction of energy and water consumptions.

SILAB favors recycling and energy recovery of its waste in order to meet its goal of zero ultimate waste.

Beyond these actions, SILAB has opted for ecological compensations in order to reduce its carbon footprint by implementing an in-house carbon fund that in particular finances biodiversity protection initiatives.

A specific on-site environment team

A specific working group has been created to define and coordinate various actions and initiatives related to preservation of the environment in the context of our operations.

Control of water consumptions

We have created an action plan at different levels to control our water consumptions. Simple actions with an immediate effect are combined with a more structural analysis in order to realize significant long-term savings.

On a daily basis, we strive to optimize water consumptions by the installation of about 100 water meters.

We recycle and treat the water from CIP (Clean in place). Cleaning water is recovered, sorted and treated to obtain softened water that can be reused in certain industrial process steps.

Promote energy sobriety

Our energy saving program is based on an energy audit and a life cycle analysis to identify effective paths for improvement.

It includes major projects to optimize the energy consumptions of utilities, such as energy recuperation

from cooling units and condensates, the pooling of installations, etc.

In the course of its development, SILAB pays special attention to preferring green energies. Voluntarily and since 2018, the company has chosen the Renewable energies option for its electricity supply contract that guarantees the production of a quantity of renewable electricity equivalent to 100% of its consumption. Its gas supply contract also stipulates that the totality of CO₂ emissions from its gas consumption is converted to "carbon credits".

In addition, the in-house training center is equipped with photovoltaic panels for the autonomous production of electricity.

Responsible supply chains

With an eye towards securing supplies, the company has adopted a responsible policy and applies it to all of its raw materials of plant and biotechnological origin in both France and abroad.

SILAB relies on its program of mastering nature to authenticate and trace each of its natural raw materials.

Their sustainable and renewable character is taken into account starting with their selection.

SILAB has therefore decided to choose resources co-products, biotechnologies, organic agriculture and short supply chains.

Transversal sensitizing of employees and suppliers

SILAB group employees are informed of projects under way and their progress *via* Intranet.

Awareness-raising sessions are organized to extend understanding of industrial stakes at the level of personal behavior patterns to adopt in their context.

Beyond its own engagement, SILAB also includes all of its stakeholders, in particular by the signature of a Responsible purchasing charter and strict and regular audits of its suppliers.

Implementing and monitoring the Code of conduct

This Code of conduct is distributed to all companies of the SILAB group and is available in French and English on our website.

Every new employee receives a copy when he is hired.

All employees are committed to respecting it and to informing the company in case of questions or doubts about its use.

This can be done by contacting their manager, the Human resources management or by using the whistleblower procedure (<https://www.bkms-system.com/Silab>).

SILAB's Management board regularly monitors the information and/or questions raised by this Code of conduct in order to analyze the risks identified, establish an action plan and promote good practices by its employees and suppliers to the group.

In Saint-Viance, April 2, 2024



Brigitte Closs-Gonthier

Chief Executive Officer

General Manager - R&D, Quality, Communication



Jean-Philippe Cosson

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Sales, International subsidiaries, CSR



Florence Giner-Meilhac

General Manager

Finances, Legal, HR, Purchases, IT, Global security



Dominique Muller

General Manager

Technical operations

Discover our eco-designed Internet site dedicated to Actively Caring CSR program.

SILAB presents its pillars, thematics and initiatives supported by all of its collaborators!



activelycaring.silab.fr

Naturally committed
to a sustainable world

