

CORPORATE SOCIAL RESPONSIBILITY 2023

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### FOREWORD BY THE MANAGEMENT



For the last 46 years, with strict respect for regulations and consumers and beyond passing fashions, Fiabila has become the number 1 worldwide nail polish manufacturer.

Fiabila means 'reliability' in French. From the start, the company stood apart in a competitive environment not always respectful of regulations, laws and consumer health, by developing physiologically correct innovative products, many of which having been patented.

Fiabila has set new standards by investing in know-how with a stable, continuously expanding, multidisciplinary and highly technical team and through significant investment in the necessary industrial tool for security, environment and quality.

This vision of our business demonstrates itself internally in specific codes of conduct and policies, and externally in a constantly improving offer of safe nail care and nail polishes. A durable offer that integrates variable factors such as environmental, commercial and social.

### **OUR POLICIES**





#### SOCIAL SPHERE

Diversity charter Working conditions policy Social dialogue policy Occupational health and security policy Anti-discrimination policy Sexual harassment and misconduct prevention policy Career management policy

### ECONOMIC SPHERE

Business ethic policy

### **ECOLOGICAL SPHERE**

Environmental policy Responsible purchasing policy

Our internal policies form a code of conduct that allows our employees to work and evolve in a reassuring and clearly defined environment within a long-term vision.

We ask all Fiabila employees to respect these values and carry out their jobs in line with the chosen company ethos in order to assure Fiabila's long term future without endangering our environment.



# 46 YEARS OF INNOVATION FOR A PHYSIOLOGICALLY CORRECT PRODUCT

Since the beginning, Fiabila has led the way in banning raw materials that could affect the health of consumers or of manufacturing workers and raw materials that could have a negative environmental impact during their life cycles.

In 1997, Fiabila launches a formaldehyde resin-free nail polish.

In 2001, Fiabila invents the first nail polish containing no camphor, no DPB and no aromatic solvent (toluene).

In 2001, Fiabila is the first company to market a nail hardener without formaldehyde.

In 2008, Fiabila is one of the first manufacturers to stop using toluene in all products, not only in France but worldwide.

Since 2010 Fiabila markets formulas containing a majority of biosourced raw materials of renewable origins. Some of our nail polish formulas are made of more than 85% of these raw materials.

### **RESPONSIBLE PURCHASING**

Fiabila evaluates its suppliers from its own high standards and check if they have ISO 22716 certification , and environmental and ethical certification through the ECOVADIS platform...The integration process of CSR requirements from our suppliers is monitored by our quality and environment department which publishes an annual report.

Throughout the procurement process, Fiabila assures the origins of all raw materials and requires from all its suppliers a certificate of conformity for cosmetic use of all raw materials:

**REACH**: for all raw materials bought by the company.

**RSPO**: 'ROUNDTABLE ON SUSTAINABLE PALM OIL': promoting the use of palm oil or palm oil derivatives issued from sustainable cultivation when available, and encouraging our suppliers to switch to sustainable sources.

**CITES** : assuring that all protected raw materials used by Fiabila respect the Washington convention rules.

**CONFLICT MINERALS** : Fiabila does not buy any mineral ingredient that comes from a zone of conflict.

**RMI** : 'Responsible Mica Initiative': Fiabila favors its supply of Mica pearls from suppliers who adhere to RMI.

### SUSTAINABLE RESPONSABILITY

The continuous commitment of all our teams in implementing our sustainability strategy in all working and purchasing processes has enabled us to assert our social and ethical responsibility.

Fiabila is a member of the United Nations Global Compact program in the field of Corporate Social Responsibility (CSR) where we have published our progress in this area each year since 2020.

Fiabila has been awarded the highest sustainability rating Platinum Medal from Ecovadis for the third consecutive year in 2022, positioning us among the top 1% assessed companies in the industry.

We are also audited on the spot every year by an independent organization on each of our French sites according to the SMETA 4P standard (ethical, social, environmental, and responsible purchasing) which is the most demanding and complete level of this reference in terms of CSR and the results of which are available on the SEDEX online platform.

Fiabila regularly has energy audits carried out at its Maintenon site by an accredited firm, the last of which dates from 2021.

# LOWERING THE ENVIRONMENTAL IMPACT OF OUR ACTIVITY

### SECURITY AT THE HEART OF OUR CONCERNS

Based on the use of very volatile flammable solvents and nitrocellulose, a fulminant explosive, nail polish manufacturing necessitates a strong safety and security culture. In the last 46 years Fiabila has managed to avoid any major industrial incident.

Whatever the country where we manufacture, our factories respect the strictest rules in terms of hazardous raw materials storage, fire security and staff training.

Our historical site in Maintenon located one hour from Paris has been entirely equipped with sprinklers since 2008, and a storm basin collects fire water in the event of a disaster.

Our production sites in Brazil and USA in Linden, have also been fitted with sprinklers since their respective openings in 2017 and 2018.



### LIMITING OUR EMISSIONS

Fiabila sets itself apart as a model in the mastering of solvents emissions and waste. We have a perfect knowledge of the nail polish manufacturing process which allows us to set up particularly innovative solutions in the nail polish world.

Solvents emissions during the manufacturing process are minimized by the application of strict instructions, storage and production in closed circuits, and a set-up of aspirations as close as possible to the source of emission. A smoke washing system has also been implemented which allows us to lower levels even further.

Our USA site in Linden is equipped with a RTO (regenerative oxidizer) monitored by a CEMS (continuous emissions monitoring system) which continuously measures the VOC (volatile organic compound) on site and assures that the level of solvents released is extremely low compared with other nail polish manufacturing sites in the world.

Our Maintenon site in France is now also equipped with this same RTO, fully operational since 2022. The quantity of releases are reduced to half those specified by the French regulation for this kind of activity.

Fiabila once again proves its proactive and voluntary approach in this area since it once again goes well beyond what the regulations impose.



### MASTERING WASTE

For many years now, Fiabila has set up a dynamic policy to reduce waste of all kinds.

We always give priority to the delivery of raw materials in bulk or in recyclable packs like steel drums or cardboard containers. After the installation of 16 storage tanks with a total capacity of 450 tons of raw materials in 2015, we have been able to lower the number of drums by 5000 a year and the level of our total waste.

We also recycle more than half of our dirty solvents on site to re-use them for cleaning the manufacturing tanks. The recycling system has virtue in the sense that it can be done permanently and that it avoids emissions and reduces the transportation of waste.

All remaining waste is sorted and recycled accordingly as frequently as possible. 100% of wastewater is treated and 100% of hazardous waste is recycled by carefully selected local recycling companies. In total, more than 83% of the waste produced by Fiabila were recycled or reused in 2021.

Paper, cardboard and plastic pallet films (shrinks) are now sorted and segregated internally to allow their 100% recycling.

### OUR COLLABORATORS ARE OUR FUTURE

Fiabila considers that the stability of our teams is the guarantee of our success so we constantly adapt our human resources management to our employees' needs.



### PRESERVING FAMILY LIFE

Fiabila wishes to preserve our employees' health and family life. To this end, the layouts of our factories are carefully designed to minimize shift working. As a result, Fiabila is able to avoid night working, and the recognized associated hardships and health risks to employees, both in France and internationally.

Within the general framework of flexible working arrangements, Fiabila offers the possibility of setting up part time hours, teleworking, and flexible working hours for those who live far from their work and want to balance their private and professional lives.

#### INVESTING IN WORKING CONDITIONS

Equally important as the management or working conditions, workspace is an essential element of working life.

Fiabila regularly invests in improvements in working conditions in order to provide its employees with pleasant workspace which promote employee wellbeing and efficiency.

In the factories, operators work in centrally heated, often air conditioned and above all always permanently ventilated premises.

Individual protective equipment is adapted to each individual person according to workstation requirements and is available on an unlimited basis.

Contrary to the trend of open plan working Fiabila has preferred to provide temperate and sound-proofed workspaces of two to six persons that are more conducive to concentration.

Our offices were renovated in 2007 and extended at Maintenon in 2017, renovated in USA in 2015 and created in 2016 in Brazil.

In 2019 Fiabila doubled the surface of the R&D laboratories of the main site in Maintenon. These new laboratories facilitate interactions between lab technicians and stimulate creativity.

All our technicians now work in new spaces which allow them to have a larger dedicated workstation avoiding any possibility of overcrowding.

In 2021, Fiabila invested in its workshop for the manufacture of coloring solutions which allows for better ergonomics of the workspace, wall protection with stainless steel panels to facilitate maintenance and maintain a more cosmetic environment, thermic insulation of the roof, upgrading to fire protection standards throughout the production workshop and the installation of made-to-measure ventilation.

An implementation of process automation has improved product compliance and quality and increased production capacity

#### PROMOTING EQUAL OPPORTUNITY

Regarding equal opportunities and non-discrimination rules, Fiabila has put in place, in addition to our explicit policy commitment and in consultation with staff representatives, a diversity charter.

Each year, an agreement on gender equality is negotiated and Fiabila is proud to present the average annual pay differentials between men and women in all categories, largely inferior to those seen in the chemistry sector in france.

In 2019 Fiabila circulated the document 'end of genderbased violence' to all our employees.

### INTERNATIONAL ETHIC

### HUMAN AND CHILDREN'S RIGHTS

From the start, Fiabila has never employed children, neither in France nor abroad, and we adhere to the established international regulations like the 'universal declaration of human rights', the united nations convention on the elimination of any form of discrimination against women, and the Unicef convention on the rights of the child.

### 7 SUBSIDIARIES, ONE METHOD, ONE ETHIC

Our company is present worldwide through 7 subsidiaries. We ask them to respect the same ethical rules as we do in our original French site. In this regard they are regularly audited by our managers to ensure that all standards are correct, equally in quality, ethics and respect for human rights and the environment.

As for working conditions, we have invested heavily in the USA and in Brazil to offer equivalent working conditions to our French site in Maintenon, specifically in preventing exposure of our employees to solvents.

In our Indian site, automatic filling machines have been installed which help to considerably reduce the number of repetitive tasks and improve the quality of the products.





### **BUSINESS ETHIC**

### TRUST, INTEGRITY

For the last 46 years, Fiabila has gained the reputation of an honest company among our clients as well as among our suppliers with whom we have developed strong partnerships based on mutual trust. In order to further continue our development harmoniously, Fiabila asks our collaborators to respect a business ethic in order to prevent corruption, extortion, fraud, conflicts of interest, money-laundering and anti- competitive practices.

In 2018, Fiabila has set up a whistle-blowing procedure which is open to all employees and third parties, especially in the case of fraud or corruption.

Whistle-blowing alerts must be communicated to <u>ethique@fiabila.com</u>

Note: alerts will be treated confidentially and those acting in good faith will be protected from any reprisal. The concerned person or persons will be informed and an inquiry will be carried out. In the event of false accusation, those responsible will be sanctioned.

### CONSUMER PROTECTION

Fiabila is committed to responsible marketing in order to propose more and more physiologically correct products to the consumer. A pioneer in the formulation of new products, Fiabila has always invested in research and development to be able to offer products already tested in laboratories, validated by toxicologists and evaluated by consumer panels.

### ANIMAL PROTECTION

Since 2004, animal testing has been banned for any cosmetic product and since 2014 for raw materials. Fiabila does not carry out any tests on animals, and assures that all our suppliers respect the same rule. Fiabila has also successfully supported several brands with certifications that go beyond cosmetic regulatory requirements in terms of non-animal testing policy, such as CFI (Cruelty Free International).

### CONFIDENTIALITY and GDPR

It is Fiabila policy never to divulge any private or professional data. Each file is treated in the strictest confidence.

Since 2018, Fiabila has integrated the EU GDPR (general data protection regulation). From now on, all our customers and suppliers can have access to their data by contacting our internal manager at *personaldata@fiabila.com* 

