

## Company Philosophy

We are the leading manufacturer of high-quality botanical extracts and natural phospholipids. Working alongside the cosmetics industry, we develop innovative, functional and natural cosmetic products to stir the market based on our comprehensive, established product portfolio and our newly developed, natural active ingredients.

Our customers know us as a confident, courageous and proactive partner. We speak an honest language, we promise a lot, but only what we can deliver. Our image is fresh, unmistakable but always personable and trustworthy. We derive from such qualities our company philosophy, comprising the following central areas:



We make beauty natural,  
ethical and sustainable.



Lipoid Kosmetik belongs to the Lipoid Group and we are committed to the rules of conduct for all companies of the Lipoid group. Our company philosophy resonates with the principles of the Corporate Sustainability Initiative of the United Nations «UN Global Compact». This is central to our membership of the initiative and our self-commitment,

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«... to aligning strategies and operations with universal principles of human rights, work, environment and anti-corruption, and the corresponding adoption of measures.»

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The implementation of the superordinate guidelines of the corporate philosophy are described in more detail in further documents. These are in particular the quality policy, the code of conduct, the purchasing policy, the environmental policy and the safety policy.

We are committed to the following guidelines:

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### Product Responsibility

The flawless quality of our products has utmost priority. To us, flawless quality means that our products

- are produced to the best-possible manufacturing standard.
- meet the level of quality promised to the customer.
- meet our specifications at all times.
- satisfy the statutory and regulatory requirements of Switzerland, the EU and relevant requirements globally.
- are produced in accordance with valid regulatory and internal requirements with respect to occupational safety and the environment.
- are produced in accordance with ethical principles and using raw materials deemed suitable in this light.

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### Customers and Suppliers as Partners

We see our customers as partners, working alongside with them to provide comprehensive customer support. The basics of cooperation with customers and suppliers are defined in the Purchasing Policy and in the Code of Conduct.

To us, this means:

- We provide comprehensive support to our customers in developing new product ideas.
- We supply products of the highest quality in line with costed and morally justifiable conditions.
- We maintain a global presence with our subsidiaries and through our sales partners.

- We derive no direct or indirect personal benefit from our activities.
- We do not tolerate bribery or undue preferential treatment.
- We maintain strict confidentiality with respect to customer data.

We choose our suppliers carefully and aim to establish long-standing working relationships. Product quality comes before maximizing short-term profits.

To us, adhering to rules on fair business practice as defined in the Code of Conduct goes without saying.

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### **Responsibility to our Employees**

We aspire to create the necessary conditions to get the very best out of our employees. To us, this means that we

- greatly value open communication and respectful, fair collaboration.
- offer employees attentive initial training and induction and further development opportunities.
- create conditions for determined and efficient working.
- pay fair salaries in line with the market.
- demonstrate openness and acceptance to employees whatever their heritage, ethnicity, gender or beliefs.
- represent the interests of the company unreservedly and assist employees in performing their duties and activities to the benefit of the company.
- greatly value the safety, health and wellbeing of our employees. Occupational safety and health protection are just as important to us as our employees' performance and product quality.

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### **Business Ethics and Corporate Social Responsibility**

As a leading company in the field of botanical extracts, active ingredients and phospholipids, we are aware of our environmental, social and economic responsibilities. We have had our sustainability efforts assessed by Ecovadis since 2015. According to this rating, we are among the top 1% of companies worldwide. Our aim is to continue developing our company, seeking not just to maintain but to enhance our market appeal. This is based on the following principles:

- Our CSR policy is an integral part of our certified management system.
- Sustainability starts at the innovation level where we have integrated the aspects of biodiversity, sustainable procurement and respectful cooperation along the value chain.
- Our Code of Conduct describes in detail how we demand compliance with existing law, sustainable action and the consideration of social and ethical standards along the value chain.

- In particular, we do not tolerate child labor, forced labor and human trafficking.
- In addition, we operate solid processes with clear responsibilities
- We calculate our products fairly and with careful consideration.
- We do not buy any advantages. We do not tolerate bribery, fraud or corruption.
- We're not fixated on optimizing declared profits, but on further developing and enlarging the company.

We refer to the details in the following documents: Committed to Sustainability, Code of Conduct and the sustainability report.

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## Responsibility for the Environment

We focus on principles of sustainability and ethical conduct, which to us means leaving an intact ecological, social and economic fabric to future generations. This is based on the following principles:

- We behave according to the principles as defined in the Environmental Policy document.
- We deal cautiously with the environment and natural resources.
- We campaign to protect the environment and to preserve biodiversity.
- We avoid environmental contamination and the wasting of resources.
- We continually improve our processes and products with respect to environmental considerations.

We refer to the detailed documentation in the Environmental Policy.




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## Key Process Indicators

As the corporate philosophy is an overarching document, the different quantitative targets are defined in the individual sub-policies. These key figures are determined, evaluated and updated at least once a year. The organizational elements and the review process for all policies are formalized in the document 'CSR-PB CSR Management'.



**Dr. Peter Röthlisberger**  
Managing Director

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This policy will be reviewed on an annual basis and communicated to all interested parties.

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