

# LUMENE GROUP HUMAN RIGHTS STATEMENT

## Introduction

The Finland-headquartered LUMENE Group (“Group”, “we”, “us”, “our”) is a leading Nordic expert in holistic beauty. LUMENE Group is the home for four Nordic beauty brands; LUMENE, CUTRIN, Promise and IDA WARG Beauty.

LUMENE Group is committed to conducting its activities in accordance with all applicable laws, regulations, best practices, and principles set out in international conventions. This commitment extends to ethics, human rights, business integrity, labor and social responsibility and environmental protection, including the United Nation’s Global Compact. Furthermore, LUMENE Group actively ensures that its partners uphold the same standards when conducting business with the group.

Our sustainability work is based on our ambitions related to product circularity, climate action and social accountability, which are processed with corporate governance according to the LUMENE Group business ethics across the organization and activities. We respect and promote human rights, understanding that this is crucial for the responsible and sustainable growth of our business. In our value chain, we want to prioritize human rights, acknowledging the equal value of every individual we engage with.

LUMENE Group’s Code of Conduct, anchored in our core values, provides the ethical framework to guide our governance, behaviour, and the business decisions we make every day. Our Code of Conduct guides us to promote safety, health, and wellbeing as well as diversity, inclusion, and equal opportunities for our employees and other stakeholders; to work against harassment and discrimination; to oppose modern slavery, servitude, forced labour and human trafficking and to fight corruption and bribery. This Human Rights Statement builds on the Code of Conduct, describing how we are defending human rights throughout our entire value chain and how all individuals associated with LUMENE Group, including our employees, directors, board members, consultants, and affiliated personnel, are required to adhere to human rights.

As a company, we continuously monitor our own and our partners' actions on human rights and are committed to taking corrective actions when any negative impacts are identified.

## Our core ethical framework

LUMENE Group is committed to doing business in a responsible and sustainable way, and we expect the same commitment from our business partners. We are not only following the requirements set by laws, but also being accountable, transparent, fair, and responsible in our daily operations. By good corporate governance we support business growth and inclusive societies. We want to do our business honestly, engage in charitable and partner co-operation and respect internationally recognised human rights. We also do not test any of our products or ingredients on animals.

We act in compliance with laws, regulations, good governance practices and commonly accepted best practices. We ensure that our activities do not directly or indirectly violate human rights in any of the countries we operate in. We do not accept the violation of any laws or regulations or any unethical business dealings. We are committed to respecting and promoting the internationally recognised human rights

throughout our whole value chain. Violation of these rights is not tolerated in any form. We respect the rights and interests of all our employees, partners, investors, and other stakeholders we deal with.

We want to be considered as a fair and inclusive partner and employer wherever we operate. LUMENE Group thrives from diversity – inside and out. Investing in diverse knowledge adds value to our community and business. We recognise that to truly serve the communities in which we live and work, our workforce and products must reflect and represent this global diversity. Therefore, we are actively working towards this to become the most inclusive and diverse Nordic beauty company.

We at LUMENE Group are always open, truthful, authentic, and respectful of our Nordic values. We encourage creativity, passion, and innovation in everything we do, and we dare to be bold, have courage and the confidence to be different. These values are the core of our culture and by leading according to them we aim to make our business landscape more inspirational, responsible, sustainable, and respectful of human rights.

## **Code of Conduct and Group Guidelines**

The way of operating for all LUMENE Group employees is defined in LUMENE Group's Code of Conduct. The Code of Conduct sets a higher standard for ethical behaviour than what is required by applicable laws and regulation. We require everyone within LUMENE Group to comply with the Code of Conduct and require all LUMENE Group employees participate in regular training on the Code of Conduct. Our Management Committee monitors the compliance with the Code.

The LUMENE Group's Code of Conduct and related training provide a detailed description of our approach to doing business in an ethical way. Civil and political rights, economic, social, and cultural rights and labour rights are essential for respecting fundamental human rights.

Moreover, we have several Group-wide policies and guidelines in place to reinforce topics such as diversity and inclusion, employee wellbeing, freedom of association and employee contracts, and to support the employees' ability to work, to support physical, mental, and social well-being and to eliminate hazardous working conditions, which we regularly review and update with input from both internal and external stakeholders.

## **Key areas of impact**

### **CONSUMERS**

Consumers using our products expect safe, effective products, responsible marketing, clear product information and supporting sustainable environment. Indeed, consumer safety is the main principle in the developing, manufacturing and marketing of our products. Additionally, we at LUMENE Group believe that beauty products are for everyone, and therefore diversity, equity, and inclusion (DE&I) should be driving forces behind innovation in the cosmetics industry.

LUMENE Group follows several policies to ensure product safety and a sustainable environment, for example Good Manufacturing Practice for Cosmetics and Responsible Care. Good Manufacturing Practice of Cosmetics (cGMP) is a globally recognised standard for cosmetic product safety. It gives guidelines for the production, control, storage, and shipment of cosmetic products. Following cGMP in our production ensures that our products meet all the requirements set for them in terms of quality and safety. The quality of the products is ensured at the production stage by co-operation between production and quality assurance. cGMP is certified

with ISO 22716 and LUMENE also has ISO 9001 certificate for quality management system and ISO 14001 certificate for environmental management. All marketing materials are supported by adequate and appropriate evidence including package labelling. All consumer feedback is processed.

We are committed to weaving DE&I into the fabric of our development process for new products. Additionally, we are committed to celebrating diverse beauty in our advertisements and working with a wider and diverse representation of spokespeople for the brand. At LUMENE Group, our communication is guided by strict cosmetics regulation and self-regulatory frameworks which protect consumers against misleading marketing and enable informed decision-making. Our statements and claims are carefully considered for honest and truthful communication, using clear and easy-to-understand language. Efficacy testing is done in co-operation with external laboratories specialised in cosmetics efficacy testing. Consumer testing panels are also used to ensure positive consumer perception.

We also ensure that personal data is collected, managed, and stored in compliance with all applicable data protection legislation and regulation and in ways that do not violate consumers' human rights, including the rights to privacy, security, and protection of personal data.

## **OUR PEOPLE**

LUMENE Group is focused on ensuring that we are a great workplace for diverse talents who can grow together with the group and experience their work as meaningful. We believe that an inclusive culture attracts diversity and boosts well-being, innovation, and makes meaningful contributions to our society. LUMENE Group has an action plan to promote employee well-being, training, and equality. As a Nordic and Finnish company, we have long traditions in compliance with labour legislation, occupational safety, and health legislation. Therefore, employee rights, anti-corruption, equality, and employee experience are each an essential part of the social responsibility of LUMENE Group's operations.

## **OUR SUPPLY CHAINS**

Our goal is to build a strong supply partner network which lives up to our corporate values, high quality standards and our customers' expectations. Partner selection is the basis for risk management in our value chain. Our partner criteria are strict, and our suppliers and other partners are committed to our ethical guidelines through the LUMENE Group Partner Code of Conduct.

LUMENE Group is dedicated to protecting human rights and offering safe and equal workplace to every individual in our value chain. Ensuring sustainable sourcing activities is an integral part of LUMENE Group's corporate governance. LUMENE Group Sourcing Policy describes the principles according to which we operate, and it supports LUMENE Group's mission and strategy to offer high performance Nordic beauty for a better future.

Suppliers and service providers we use include, among others, raw material suppliers, contract manufacturers, packaging manufacturers and factory maintenance partners. We require our suppliers and other partners to commit to ethical conduct, in full compliance with all applicable national laws, regulations and international treaties, and respect for human rights according to internationally recognised standards. All forms of corruption, bribery, money laundering, and unlawful restrictive trade practices are strictly prohibited.

We have identified the human rights related risks associated with the sourcing of certain raw materials used in our products, such as berries and mica. LUMENE Group takes all allegations of suspected human rights

violations and shortcomings seriously and thoroughly investigates all cases. We minimise sourcing from risk countries (according to Amfori BSCI Countries' Risk Classification). We also monitor partner performance regularly in a variety of ways, including audits, and score cards. Audits can be performed by LUMENE Group, by a third party or by the partner itself as a self-audit.

## **THE SOCIETY**

A functioning society is an important competitive factor for companies operating in the Nordics. LUMENE Group is an active corporate citizen contributing to the well-being of society and collaborating beyond company borders. In 2022, LUMENE was ranked number one in social innovation by the Finnish Innovation Index by Hanken School of Economics.

Our Corporate Social Responsibility policy (CSR) outlines our efforts to give back to the society as it gives to us. LUMENE Group strives to contribute to society in different ways, promoting the Finnish industry and domestic employment. We manufacture approximately 85% of our products in Finland and aim to choose only long-term partnerships with organizations that meet the values of LUMENE Group. Moreover, LUMENE Group has contributed to society by donating to various organizations, and has a charity program to donate to various organisations.

## **Grievance Mechanisms**

We want our employees to feel comfortable with voicing dissenting opinions and concerns at the workplace. There are multiple ways to raise concern within LUMENE Group. Our employees are encouraged to share their relevant complaints to management or to the Management Committee. In addition, anyone within LUMENE Group who suspects or detects a breach of the Group's Code of Conduct, or applicable laws, regulations, or policies, is obligated to report such violations to the respective managers. In cases where the manager is unable to provide assistance or the reporting individual feels uneasy discussing the concern with the manager, suspected violations can be reported using our whistleblowing service.

LUMENE Group's whistleblowing channel provides an opportunity to our employees and external parties to communicate anonymously and confidentially on suspected wrongdoings or illegal activities affecting people, our organisation, society, or the environment. The whistleblowing channel makes wrongdoings less likely to occur in the first place and shows our commitment to operate in a fair way. The Audit Committee oversees the Group's whistleblowing practice. The Audit Committee is responsible for ensuring that the Group operates in an ethical environment and complies with laws and regulations.

This Statement was approved by the Leadership Team of LUMENE Group on 30.1.2024.