

ONZ Global Compact

Dr Irena Eris S.A. is a reliable, recognized and solid business partner. During almost 40 years of its existence, the company has not only developed a reputation of a manufacturer of the high-quality cosmetics, but also a reliable and honest contractor. In its activities in this field, the company is primarily guided by the principles of reliability, honesty and partnership. Open communication with all business partners is an equally important element.

Paweł Orfinger

CEO of the Management Board of Dr Irena Eris S.A.

HUMAN RIGHTS

DESCRIPTION

When building the prestige and competences of its brands, Dr Irena Eris is guided by **respect for people**, focusing on their individualism and cooperation. Our concern for the well-being of other people manifests itself in both high-quality of our cosmetics and **our exceptional human relationships** within and outside the company. Our care for the **safety and health of our employees** obliges the company to protect the employees' lives and health by ensuring safe and sanitary working conditions for them, as well as by protecting them against industrial accidents, occupational diseases and other illnesses related to the conditions of their working environment.

Innovativeness has been part of the strategy of the company since the beginning. Dr Irena Eris sets the directions for the development of the industry, with particular focus on the field of care she is an expert in. The whole team is constantly looking for new ideas, solutions and concepts. We focus on the development of advanced scientific research, taking into consideration its significance in the development of the company's activities, so that we can offer an added value to the environment we cooperate with.

STANDARDS OF DR IRENA ERIS

- organisation of work and workstations in a way that provides safe and sanitary working conditions;
- familiarisation of employees with OSH regulations and rules, the fire prevention regulations as well as conducting systematic employee training;
- first aid training and fire prevention training, evacuation drills, periodic training in occupational safety and health;
- up-to-date medical checkups;
- taking care of safe and sanitary conditions of work rooms and technical equipment, as well as of the proper condition of the employees' collective and personal protective measures and their appropriate use;
- providing manufacturing workers with workware and work boots as well as personal protective equipment before they start working;
- indicating and providing workers with a properly secured space for storing workware and work boots, personal clothing and personal equipment, as well as the assigned tools;
- doing research and taking measures of harmful or arduous factors existing at the workplace;

Numerous patents and proprietary patent applications, which are the result of the work of scientists from **Dr Irena Eris Centre for Science and Research** can prove the level of conducted research. Testing is conducted at the Dr Irena Eris Centre for Science and Research. It goes in several directions and significantly beyond the obligatory scope. The first kind of research concerns determination of the behaviour of isolated skin cells under the influence of complexes of cosmetic raw materials. Epidermis created in *in vitro* conditions maintains barrier functions, and its lipid profile is almost identical to that of full-thickness skin. The safety assessment of a cosmetic product is based on the study of the vital properties of epidermal cells (MTT colorimetric test). Thanks to the use of *in vitro* methods at the testing stage in the laboratory we can receive an initial response about the cosmetic's effect on the skin. These innovative tests are performed at the *In Vitro* Research Laboratory of the Dr Irena Eris Centre for Science and Research. During *ex vivo* research the assessment applies to the safety and effectiveness of ingredients and finished cosmetics on 3D skin models in laboratory conditions. The *ex vivo* research proves that the active ingredients contained in the cosmetic product has actually an impact on skin physiology. The *ex vivo* tests using full-thickness skin are also used when testing the penetration of cosmetic substances into the skin and in order to determine the structure of the surface of the hair and external skin cells. The final stage of *in vivo* research is all about an instrumental and subjective evaluation of the effects of a cosmetic product applied to the skin of volunteers. Instrumental evaluation of skin condition takes place under controlled temperature and humidity conditions. To evaluate the skin parameters, the cutting-edge biomedical equipment of world-class manufacturers is used.

ACTIVITIES

The year 2021, after 2020, was largely a continuation of many activities related to ensuring the safety of employees in terms of the COVID-19 pandemic.

In 2021 we conducted specialized research of the working environment in the production part: noise, lighting, industrial dust in order to improve the comfort of work of cosmetic mass workers. All employees are provided with an access to private specialist healthcare all over Poland (including 7 facilities in close proximity of their workplace). For the interested employees, we have organized free of charge flu vaccinations on the premises of the company.

Until the middle of the year, at the highest peak of disease incidence, we have continued the practice of bringing employees to their workplace so as not to expose them to an unnecessary risk of getting infected. Our employees do not have to wait for being tested in state institutions because we use a private analytical laboratory that performs tests for the detection of SARS-CoV-2 infection within 24 hours and you do not have to leave your house to have swab sample taken.

Specialized UV-C flow lamps with virucidal properties, introduced in 2020 are still in use. They function as standard in the production area, and additional lamps have been installed in all meeting rooms and in rooms where employees have meals. We regularly organize free of charge antigen tests for Sars-Cov 2 and tests for the presence of Sars-Cov2 IgG antibodies. We have carried out campaigns to promote and encourage employees to vaccinate against COVID-19. Scientific achievements by the end of 2021 include **16 patent applications, 9 of which have already obtained patent protection** - they have been applied in product innovations. Thanks to scientific achievements, we manufacture cosmetics that are innovative, effective and safe. The year 2021 is, above all, a year of great concern for the environment. We have developed our own „**Eco BOOK. Eco-design manual**“. In 2021 several innovative solutions were implemented in our brands, including Dr Irena Eris Circalogy line relating to the circadian rhythm of the skin, Dr Irena Eris InVitive based on the combination of PSCIII collagen heptapeptide, retinol and algae with vitamin A activity, pre-biotic dermocosmetics for skin care of patients with atopic dermatitis (AD) and seborrheic dermatitis (SD). Scientists from the Dr Irena Eris Centre for Science and Research are active members of leading international scientific societies: EADV (European Academy of Dermatology and Venerology), ESDR (European Society for Dermatological Research). Within these societies they publish the latest research results every year. The achievements awarded with the Nobel Prize in the field of medicine are our inspiration and often coincide with the direction of our research. The culmination of research work are proprietary patents and numerous patent applications.

LABOUR

DESCRIPTION

The priority for us is the image of our company and the image of our brands. Our brands, offering the highest quality products, adapted to a given market segment, are our greatest value, just like the people we work with. We rely on people who are **creative**, efficient, guided by intuition, knowledge and experience in their work, and who identify themselves with the company. The **cooperation** is important to us because only when we join forces we can achieve our goals. We also respect the tradition thanks to which our company has a soul. The **personnel policy** developed by us is based on equal rights and equal responsibilities regardless of gender, age or professional experience. Our clearly established rules of conduct and their consistent application build a culture based on sincerity, trust and fair treatment of all employees at the company

STANDARDS OF DR IRENA ERIS

The rules of work are governed by the „Work Regulations“. They concern various issues, such as:

- Fundamental obligations of the employees and employer;
- Protection of property;
- Workplace secret;
- Competitive activities;
- Employee's financial liability;
- Order regulations;
- Date, place and time of salary payment;
- Penalties, rewards and distinctions;
- Working time, vacations and dismissals;
- Protection of work of female and young workers;
- Occupational safety and hygiene, and fire prevention.

The company respects all provisions of the Labour Code, which is evidenced by numerous inspections of the Chief Labour Inspectorate, Social Insurance Institution and Revenue Office. **Development of passions and the promotion of a healthy lifestyle.**

ACTIVITIES

Work Life Balance Policy - Good Practices for maintaining a balance between the work and the private and family life, especially in the times of the COVID-19 pandemic:

- replacement contracts (simultaneously, we are looking for the possibility of keeping employees who came to us to „replace“ someone);
- we enable flexible work rules for a young mother: flexible working hours / part-time job / partial work from home;
- we support motherhood;
- we enable participation in recruitment projects and training courses during parental leaves;
- we maintain all social privileges during parental leaves;
- an individual approach to the problems of a young mother or a young father; during business meetings we take pride in the number of births or number of new pregnancies;

We care about **employee development** by central planning and managing of training courses. In 2021 we were gradually returning to the organization of internal and external training courses. It was important for us that employees, after a long period of remote work or, in the case of production - split shifts, had a chance to meet again. Therefore, in compliance with the safety rules, we returned to stationary training courses, for example Project management, Assertiveness, Effective communication or Excel. Some of the training projects regarded human psychology and coping with stress. We implement programmes based on the principles of Continuous Improvement, which allow our employees to shape their workplace, share ideas and develop their competences. We encourage our employees to improve their foreign language skills. We have restored language training courses and our employees can still use the course in the form of e-learning. The following sports teams are present at the company:

- Lirene Bike Team / Dr Irena Eris Running Team / Dr Irena Eris Sailing Team.
 - MultiSport – a programme for co-financing the participation in sports classes for interested employees.
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ENVIROMENT

DESCRIPTION

Creation of a high-quality cosmetic is a challenging and complex process. We systematically modernise our machine fleet by investing in new equipment, train our staff with regard to both their vocational skills and to improve their knowledge in OSH and work ergonomics, as well as modernise our production area in order to create optimal working conditions.

The company owns **Quality and Environmental Policy**. In 1996 the production part implemented the System of Quality Management conforming to the requirements of the PN-EN ISO 9001 standard, and since 2001, the System of Environmental Management has been operating in accordance with the PN-EN ISO 14001 standard. Good Manufacturing Practice (GMP) has also been implemented; in accordance with the PN -EN ISO 22716 standard.

STANDARDS OF DR IRENA ERIS

The highest quality of our products is achieved with respect for the natural environment. We are obliged to follow the legal requirements and the ISO 14001 standard regulations. Waste management rules have been described in detail in workstation procedures and manuals.

ACTIVITIES

We minimise our impact on the environment through various activities*:

- In 2021 electricity consumption was reduced by 5% per one item of a finished product vs 2020.
- Since 2019 we have been manufacturing cosmetics using 100% renewable energy (**green energy**). **Last year 100% of our cosmetics were produced from 100% renewable energy sources.**

Actions we have taken so far to monitor energy consumption and its reduction are as follows::

- We have developed and monitored the energy balance of the enterprise
- An energy audit of the enterprise was conducted, actions were selected to reduce electricity consumption
- We replaced the outdoor lighting of buildings and parking lots with energy-saving one
- We have reduced energy consumption for the production and maintenance of compressed air installations

Actions completed and planned for 2021:

- We have replaced lighting in warehouses with energy-saving lighting.
- We are going to optimize the operation of air handling units.
- We are going to perform metering of key electrical loads.
- We are going to insulate the CO collector in the office building.
- We are going to insulate heating modules on process water loops.

As a result of the above-mentioned works, we expect to achieve a 5% reduction in energy consumption per one item. We use modern machinery and technologies. Before we discharge of industrial waste to the external sewage system, we treat it at our own wastewater pre-treatment plant. We collect post-production electric and electronic waste, as well as enable employees to collect such waste from households. We limit the number of printouts, we use recycled paper for printing.

We apply the principles of eco-design for packaging:

- we manufacture our packaging in such a way as to minimize the weight of the packaging, ensuring efficient protection for the product,,
 - 86% of our packaging is recyclable,
 - we use cardboard boxes made from material that comes from well-managed forests with **FSC certificate** and **recycled materials**. This means that the raw material for the production of paper was obtained in a sustainable way - each single place where a tree had been cut out is replaced with a new tree planted there,
 - in the logistics process we recover and reuse the cardboard packaging and packaging films from the delivery of components.
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We design packaging in such a way as to minimize the weight of plastic packaging, ensuring effective protection for the product. We reduce the grammage and optimize the capacity of the packaging, we resign from the additional protection of the cardboard boxes - cellophane, and we reduce the amount of plastic in shipping containers. We also introduce innovative solutions with replaceable cream refill containers. These solutions allowed to reduce the consumption of plastic by **3.2 tonnes only in the first half of 2021 and by 18.3 tonnes from the beginning of 2020**.

We are a conscious manufacturer who takes responsibility for packaging waste generated after the use of cosmetic products. This is why, **in 2021 we are implementing the levels of recovery and recycling of packaging waste, which the European Union is planning to achieve in 2030**.

We are constantly conducting activities aimed at reducing water consumption:

- the most important places of municipal water and process water consumption were metered;
- we fully control the water balance for the enterprise;
- the process of washing machines and appliances is carried out in a closed circuit;
- at the company's headquarters in Piaseczno near Warsaw, we collect rainwater and use it to water green areas;

In 2021 we are continuing work in the following areas:

- We replaced spray balls on a key mixer, verified washing and disinfection programmes in dishwashers and optimized the manual washing process, which aims to reduce water consumption for washing the machines and appliances.
- We are working to improve the efficiency of the water purification process.
- We are constantly working on improving the efficiency of wastewater treatment using new reagents and new technologies.
- In 2020 and 2021 we continued our efforts to reduce the amount of masses remaining in tanks and hoses after the manufacturing process, which has a direct influence on reducing pollution of wastewater. The works will be continued in 2022.
- In the fourth quarter of 2021, we launched a project of collecting selected cardboard boxes (in the confection area) in order to exclude them from the stream of production and sales waste, making sure they would be reused. Thus, we are moving away from a linear economy in favour of a circular economy for subsequent post-production waste. It should be noted that this is another project that concerns the selection and collection of cardboard boxes in the area of confection - currently, the selection of particular cardboard boxes is also conducted in order to use them in the logistics process.
- Thanks to the measures implemented at the company's headquarters in Piaseczno, we were able to reduce the consumption of printer paper by 30% in 2020 when compared to the previous year and in the first half of 2021 by another 20% when compared to the first half of 2020.

* all indicators and activities relate to the headquarters of the company responsible for the production of cosmetics in Piaseczno near Warsaw.

ANTI-CORUPTION

DESCRIPTION

Ethics is extremely important in business management. Using an ethical approach proves that we respect our customers and competition. Uncompromising adherence to the highest standards should be obligatory for each company. We should all care for the natural and external environment from which we obtain so much. We must also not forget about people – both employees as well as business partners. Whatever we do, we must behave responsibly – this includes business, as well.

STANDARDS OF DR IRENA ERIS

The rules of work are regulated by the „Work Regulations“. They concern various issues, such as:

- Fundamental obligations of the employees and the employer;
- Protection of property;
- Workplace secret;
- Competitive activities;
- Employee's financial liability;

ACTIVITIES

In non-obvious situations, we follow the ‚Guidelines of conduct‘ for dealing with difficult situations.
