

Modern Slavery & Human Trafficking Statement 2022

Introduction from the CEO of ADA Cosmetics International

Lutz Hübner

The ADA Group is present in many countries of the world, we are committed to respecting and promoting internationally recognized standards of human rights for those that work for us and are part of our supply chains and to up keeping social standards.

We follow recommendations of the OECD Guidelines which can help us identify, prevent, mitigate adverse impacts related to works, human rights, the environment, bribery, consumers, and corporate governance that may be associated with our operations, supply chains and other business relationships. By following a due diligence process, we aim to identify, prevent, and mitigate human rights, climate-related and environmental and governance risks.

We recognize the regrettable fact that many people through the world including children are forced to work against their will and/or are subject to human trafficking. The ADA group does not tolerate forced or involuntary labour or human trafficking in any of its business or supply chain and particularly recognizes the need to keep children free from exploitation, abuse, and neglect.

Organisational Structure & Supply Chain

We are a manufacturer and supplier in the hotel cosmetics sector. The Group has over 650 employees worldwide and our group companies operate in over 70 countries throughout the world.

The Group has a global annual turnover of more than 36m EUR

Our business is organised into 5 primary business units that serve markets in:

- ***Europe***
- ***UK***
- ***Africa and the Middle East***
- ***Asia and the Pacific***
- ***North America***

Our internal manufacturing plants are in:

- Germany
- Czech Republic
- Malaysia

We operate an excellent and safe environment for both our internal and contracted staff.

Our supply chains are headed by our Chief Financial Officer based in Germany. Our supply chain offices are in UK, USA, Asia and Czech Republic, these offices manage all the Global Supply Chain function working and co-ordinating alongside our German office.

Our Policies on Slavery & Human trafficking

To give effect to our ethical beliefs, we have strong Policies & Procedures which set out the ethical considerations our staff will constantly have in mind when making decisions to enter business relationships with third parties.

All our employees are employed under sound employment contracts. We will observe the principles of all relevant local laws. This means in particular that no type of child labour, forced labour or exploitation is tolerated anywhere within the group. The ADA group has zero tolerance for human rights violations.

How have we improved in 2022?

- We have developed a '**Responsible Sourcing Policy**'. This policy lists our core responsibilities within CSR and what we expect from our business partners. We aim to build strong, long-term relationships with our suppliers and work hand in hand to create social and ethical performance factors into the process of selecting the correct partners.
- By creating a '**Supplier Onboarding Process**' and working closely with our Responsible Sourcing Policy and its practices we continue to bring our suppliers alongside our sustainable journey to ensure they are committed to the same high values.
- We continue to work closely with **Adelphi Sustainability Consultants** based in Germany – who deliver their expertise and strong commitment to ADA and our goals.
- We share our '**Code of conduct**' and '**Anti-Corruption policy**' around our group, including new employees as part of on-boarding process. Both policies are also available on our website.
- A '**Human Rights Policy Statement**' has been created to guide our standards of excellence in every aspect of the business, including legal, ethical, and responsible conduct in our operations. ADA Group expects these commitments to be shared by our employees and all direct and indirect business partners.

- **Modern Slavery Risk Assessments** have been completed for our internal factories and offices and we will roll out the same assessments to our third-party manufacturers starting in 2023.
- **Modern Slavery Training & Awareness Posters** have been published in our global locations to promote awareness and assist staff if required.
 - ✓ We continue to educate our staff using online training programs.
 - ✓ We have created a Modern Slavery Training fact sheet for all staff.
 - ✓ We publish regular CSR Newsletters, including Modern Slavery topics.
- We encourage our employees to address suspected violations of our policies through the established accessible **Non-Compliance Procedure**, using our local compliance officers and management team, who will escalate to head office if required. We use a central logging system for any matters reported and the outcome and learnings.
- Our partners and third parties can **report any concerns** via email: compliance@ada-cosmetics.com

ADA Policy Statements can be found on our website: -

www.ada-cosmetics.com/en/sustainability

On behalf of ADA Cosmetics International

This statement is made pursuant to Section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement for our financial year which ended on 31st December 2022

Signed:

Date: 07.06.2023

Lutz Hübner

CEO ADA Cosmetics International