

Voyant Beauty Supply Chain & Procurement Policy

Last updated August 08, 2022

1. Purpose

- a. The purpose of this policy is to define the responsibilities, principles, and overall guidelines for which the consideration and acquisition of goods and services within Voyant Beauty will be conducted.
- b. The responsibilities, principles, and guidelines within this policy shall apply to 100% of the acquisitions for which Voyant Beauty has sourcing ownership decision making for.
 - i. In some circumstances Voyant Beauty may not have sourcing ownership decision making authority or responsibility, for those acquisitions this policy may not apply.
 - ii. In some circumstances quantitative goals associated with this policy may only pertain to direct materials purchased related to the products manufactured.
- c. This policy shall be made available to all Voyant employees, Suppliers, Customers, and public in full context.
- d. Feedback and inquiries are welcome from both internal and external sources and can be made to **Procurementpolicy@voyantbeauty.com**

2. Policy Objectives

- a. This policy and context within have been established through the collaboration of internal stakeholder input, external business feedback, and the approval from Executive Leadership within Voyant Beauty.
- b. Portions of this policy shall receive modifications from time to time based on the feedback of internal stakeholders, external businesses or individuals, or Voyant Beauty Leadership.
- c. Further information related the Voyant Beauty Supply Chain and Procurement Policy may be made or found at the Voyant Beauty's website – Supplier Network.
- d. Voyant Beauty's Supply Chain and Procurement Policy Objectives are;
 - i. Compliance of Voyant Beauty's Corporate policies and procedures, as well as federal, state, local laws, and regulations
 - ii. Ensure the business practices used to acquire goods and services are conducted with uncompromising integrity and ethics as defined within the Voyant Beauty Employee Handbook.
 1. All Procurement Team members are expected to have read, accept, and adhere to the Voyant Beauty Employee Handbook applicable to their location.
 - iii. That all selected suppliers understand and actively adhere to the following unless mutually agreed to in writing.
 1. Supplier Code of Conduct

2. Supplier Operational Ways of Working
 3. Supplier Terms and Conditions
 - iv. To identify and actively pursue practices that promote supplier selection and advancements related to environmental, sustainability, and human rights.
 - v. To motivate others within Voyant Beauty to align and support objectives.
 - vi. Obtain the correct material or service at the right time, in the correct quantity with a determined best value approach.
 - vii. To aid the company with the visibility and access to innovations and technologies to foster its strategies
3. Voyant Supply Chain and Procurement
- a. Mission statement
 - i. Voyant Beauty's Supply Chain and Procurement Department's mission is to create and maintain a predictable supply network that enables operational excellence and best value demonstration to Voyant Beauty and its customers.
 - b. Purpose
 - i. Voyant Beauty's Corporate Procurement Department has the responsibility and authority to engagement in business-to-business commitments and sign contracts on behalf of the company as delegated by the Corporate Delegation of Authority. This responsibility includes creating and executing procurement strategy, maintaining supplier agreements, and working with plant level teams to execute material requirement planning.
 - ii. Voyant Beauty manages the acquisition of goods through a centralized single point of contact model. Meaning the acquisition of direct material services and materials along with supplier terms are managed by a central team (Corporate Procurement Team) on half of all operational sites.
 - iii. The Corporate Procurement Team is configured by traditional spend category management functions (chemicals, packaging, administration operations) for which each function has a group of team members that are specialized in their field and purpose. Each group has a corresponding Manager responsible for their Team and all Managers reporting into the Vice President of Supply Chain & Procurement.
 - iv. Geographically there shall be no boundaries nor specific location requirements of the Team and all Team members shall functionally have access to utilize the offices within the Corporate Voyant Beauty headquarters.
 - v. The Procurement Team provides support and purpose to the organization in the selection, acquisition, and use of materials by following these core objectives:

1. Maximizing Voyant's purchasing power by focusing on strategic sourcing and obtaining the best value.
 2. Leveraging its expertise in contract negotiations and supplier management to the advantage of the organization.
 3. Streamlining processes and technology innovations to provide administrative efficiencies and compliance within the procure to pay process.
 4. Minimizing risk exposure while maintaining flexibility in procurement activity to ensure material supply and supplier reliability performance.
- vi. The Procurement Team shall ensure the business practices used to acquire goods are conducted with uncompromising integrity and ethics as defined within the Voyant Employee Handbook. Such business practices include but are not limited to the following:
1. Ethical Business Practices
 2. Code of Conduct & Ethics
 3. Corporate Social Responsibility
 4. Proprietary and Confidentiality
 5. Gifts
 6. Anti-Bribery
 7. Whistleblower
- c. Market Engagement
- i. Voyant's Corporate Procurement Team will manage its spend portfolio and supplier relationships through a traditional category management methodology. This enables Procurement professionals and experts to reside responsibility over those types of spend that best align with their knowledge. By approaching our engagement as such it further emphasizes our ability to access best value, innovation, and maintain a single point of contact for all Suppliers that service and provide to our network of facilities.
 - ii. When applicable and as it aligns to procurement strategy, the Procurement Team will engage the market; existing and potential new suppliers in competitive sourcing events (request for information, request for quote, request for proposal) to ensure best value and access to innovation.
 - iii. Any and all business commitments resulting from competitive sourcing events or discussions shall be formalized through contract awards and mutually executed documents between Voyant Beauty and the Supplier.
 - iv. The Procurement Teams standard market engage for will utilize a formal process that will enable the following primary steps.
 1. REQUEST FOR PROPOSAL & SPECIFICATIONS DISCLOSURE
 2. SOLICIT BIDS
 3. EVALUATE PROPOSALS
 4. NEGOTIATION / AWARD

5. AGREEMENT

- v. The Procurement Team shall always encourage competition among the supply market and all existing suppliers within its network.
- vi. The Procurement Team and those involved in source determination (project team members) have the responsibility to search broadly and completely for viable suppliers and make source selection of suppliers based on the following criteria.
 - 1. Qualified Sources-
Materials and services shall only be procured from qualified sources as defined by the specifications or requirement of the demand. All suppliers actively engaging in procure-to-pay activities with Voyant Beauty are required to achieve and maintain compliance to Voyant's Supplier Qualification Requirements as defined by Voyant's Quality and Operations functions.
 - 2. Strategic (Preferred) Suppliers with past performance-
Voyant's Corporate Procurement Team maintains a functional and active list of Strategic (Preferred) Suppliers across all categories for which applies to all Voyant facilities and functions. These Strategic Suppliers have been selected based on successful past performance, favorable business terms, compliance to Voyant's Supplier Code of Conduct, Supplier Expectations, Terms and Conditions, Supplier Qualification Requirements, and other factors. Strategic Suppliers to Voyant Beauty shall have unique access to opportunities and typically receive the preference to the majority of the volume for which they are qualified and can support.
 - 3. Other Suppliers with past performance-
When needed, the Procurement Team will engage and make commitments to non-Strategic Suppliers that are qualified. In all circumstances, these engagements will be managed with the same performance, terms & conditions, and supply chain operation expectations as any/all business performed with Strategic Suppliers.
 - 4. New Suppliers-
Voyant's Corporate Procurement Team is always interested in finding new suppliers to be a part of its Strategic Supplier Network. We understand the importance of how the right supplier partner makes the difference of meeting versus exceeding customer expectations. Having, partnering with, and valuing our Supplier Network is the foundational linkage that enables our vision to become reality.
 - 5. Stewardship and Good intentions-
At Voyant Beauty we have a passion for continuous improvement and ensuring those within our Teams and those Suppliers chosen,

also share the same common values. This starts with our ESG values and common-sense stewardship. We are specifically interested in the selection of Suppliers who have a desire to do good based on their own free will and good intentions. Suppliers that understand the importance sustainable sourcing, human rights, ethics, and environmental responsibility. It is our belief that having stewardship and good intentions not only will help Voyant Beauty but also help each Supplier, their communities, and the entire environment we share.

d. Source Determination

- i. While the Procurement Team strives for best value in all decision making, corresponding decisions don't necessarily mean low cost. Whether it be from competitive sourcing events, direct decision, or innovation interests, the Procurement Team does and will continue to support a Supplier Network that enables fulfillment across a wide variety of value determinations.
- ii. The Procurement Team and those involved in source selection shall use a combination of inputs to determine best value. The following considerations are to be given when performing source selection:
 1. Supplier's compliance and/or willingness to comply with:
 - a. Voyant Beauty's Supplier Expectations
 - i. Supplier Corporate Social Responsibility
 - ii. Supplier Code of Conduct
 - iii. Supply Chain Operational Ways of Working.
 - b. Voyant Beauty's Supplier Terms and Conditions
 - c. Voyant Beauty's Supplier Quality Management
 - d. Voyant Beauty's EHS3 and Contractor Compliance
 2. Supplier's total cost of ownership, including but not limited to:
 - a. Logistics
 - b. Material cost
 - c. Fixed and Variable overhead costs
 - d. Scope 3 carbon footprint reduction initiatives
 - e. Energy, water, GHG emissions & waste reduction initiatives
 - f. Operational Safety
 - g. Policy and fulfillment to ESG
 - h. Tier 2 and 3 sustainability
 - i. Third party certifications to sustainability
 - j. RSPO certifications to palm sourcing
 - k. SFI – Section 4 certification to pulp based product sourcing
 - l. Conflict of Minerals compliance
 - m. Take-back programs for packaging material or end of life
 - n. Pre-consumer and post-consumer waste content
 - o. Locally geographic to Voyant

- p. Social economics and diversity ownership as defined by the United States – Small Business Administration. (SBA)
 - i. Minority-owned business enterprises (MBE)
 - ii. Woman-owned business enterprises (WBE)
 - iii. Small Business Administration (SBA)
 - 3. Failure for any supplier to respond or provide such information as defined by the Supplier Expectations documentation shall result in a disqualification for further business expansion, retraction of current business, and/or elimination of all business
4. Delegation of Authority
- a. The Procurement Team has the responsibility and authority to engagement in business-to-business commitments and sign contracts on behalf of the company as disclosed by Voyant's Delegation of Authority as approved by Voyant's Board of Directors.
 - i. Such commitments and contract execution shall be for the purpose of acquiring materials or goods directly and only related to Voyant business
 - ii. Such materials or goods shall be defined by the Voyant business and shall be requisitioned and approved by procedure prior to commitment.
 - iii. Signature authorization shall be determined by Voyant Beauty's Delegation of Authority and maybe delegated in writing by an approved person as noted.
 - b. All purchases of material and services, except were governed by Delegation of Authority and guidelines shall be acquired through the use of a traditional business-to-business practices . Unless otherwise governed by Delegation of Authority or approved protocols, all acquisitions of material and services must be made through the issuance of fulfillment of a purchase order for which shall only be issued by an authorized agent/buyer of the company. All purchase orders shall reference and be issued under the control of the following three documents: **Supplier Expectations** and **Supplier Terms and Conditions**. The acquisition or execution of agreements for material and services by unauthorized persons shall be not allowed nor shall be determined as legally binding. Below is an outline of the appropriate steps to take each time a purchase is made.
 - i. Voyant Employee determines the need for goods or services
 - ii. Requisition for acquisition approval is generated
 - iii. The requisition is reviewed and approved by procedure
 - iv. Plant Supply Chain Buyer to place purchase order
 - v. Plant to receive material and/or confirm services
 - vi. Supplier to submit invoice for material and services
 - vii. Accounts Payable to validate three match between purchase order, receipt, and supplier invoice
 - viii. Accounts Payable to make payment for material and services

- ix. Voyant Beauty to maintain records of material and services purchase/ payment.

5. Sustainable Sourcing

a. Overview

- i. At Voyant Beauty we emphasize providing sustainable alternatives where and when we can be a hallmark of a true sustainable stewardship mindset.
- ii. Additionally, we provide heightened awareness and importance on the need to support Social Economic qualified Suppliers.
- iii. Our customers look to us to understand sustainability changes in consumer trends, as well as be a true partner in creating more sustainable products, which is why we are building our capabilities to offer ingredients with a lower environmental or social impact without compromising efficacy and consider the sustainability of an ingredient in products we custom design.
- iv. When it comes to sustainable packaging, we know many of our customers have set goals to reduce the use of virgin plastic in favor of more sustainable alternatives. Leveraging new technologies and our technical know-how, we can offer packaging to customers that is 100 percent sustainable and reusable.
- v. Voyant Procurement is dedicated to working with and through its Supplier Network to create innovation and solutions that emphasize world class sustainable sourcing with special consideration to qualified Social Economic Suppliers.
- vi. We strive to make good choices and intentions based on being a good neighbor with both our communities and the earth. Our sustainable sourcing initiatives and desire for continuous improvement apply across our entire network.
- vii. The Procurement Team shall establish and maintain sustainable and social economic sourcing goals. In some cases, such goals may only apply to the direct materials we are acquiring.
- viii. Voyant Beauty Procurement will maintain a separate ***Sustainable & Social Economic Sourcing Policy*** that will cover the following areas:
 - 1. People
 - a. At Voyant we understand that people make the difference. This holds true for all aspects of our business, including our Procurement Team. We will maintain a commitment and investment of human resources to sustainable procurement.
 - 2. Sustainable material and Supplier Network Compliance Goals
 - a. Sustainable and Compliance goals for Voyant Beauty's Corporate Procurement Team were established through

- the collaboration of internal stakeholder input, external business feedback, and Leadership within Voyant Beauty/
- b. Goals shall be reviewed and updated from time to time and at least annually. Procurement Team members applicable to these goals shall have direct accountability for their completion and performance delivery. Progress shall be tracked through their individual, group, and department goals. Regular touch points shall be established with each Team member's Manager to ensure continuous progress, support, and completion.
6. Supplier Expectations & Corporate Social Responsibility policy
- a. Voyant Beauty understands the importance of purchased materials and how the right supplier partner makes the difference of meeting versus exceeding Customer expectations. Having, partnering with, and valuing our Supplier Network is the foundational linkage that enables our vision to become reality.
 - b. In order to facilitate clear and precise business to business expectations within our Supplier Network and all Suppliers who support, the **Voyant Beauty Supplier Expectations** have been established.
 - i. Supplier Corporate Social Responsibility
 - ii. Supplier Code of Conduct
 - iii. Supply Chain Operational Ways of Working.
 - c. The Voyant Supplier expectations clearly define the minimum ways of working and expectations for which all Voyant Beauty Suppliers should operate. It provides operational direction, commitment to values, and insight when interactions with Voyant, their own workforce, the environment, and their own communities.
 - d. Voyant Beauty Supplier Expectations shall apply as the overall engagement criteria for any and all acquisitions of materials and services made by Voyant Beauty and its subsidiary companies unless agreed to in writing, defined in an executed contract, of governed by **Voyant Beauty Supply Chain & Procurement Policy**.