

CODE OF CONDUCT



Cosphatec

ABOUT THE COSPHATEC CODE OF CONDUCT

Since being founded in 2005, Cosphatec has set itself the objective of meeting the highest standards – at all levels and in all its activities. We set these standards for ourselves, in terms of product quality, internal processes and our interaction with each other, for example. And we also set standards for all the people, companies and institutions that work with us.



We have therefore been dealing with ecological, social and ethical issues for a long time. When putting these standards into everyday practice, however, it is not enough to simply act according to our own moral compass, because regulatory and statutory requirements have also steadily increased over

time. Growing social awareness also calls for specific evidence, such as quality and certification labels.

While this pressure requires radical changes from many companies, Cosphatec has always implemented topics such as sustainability, fairness and quality with great conviction – not just because we have to. The Cosphatec Code of Conduct aims to make this way of thinking transparently clear. We therefore reach out to any like-minded companies – for close, trusting and long-term partnerships. In addition, we hereby publicly undertake to deal transparently and fairly with both nature and people.

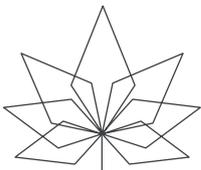
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1. COMMITMENT TO PEOPLE

1.1 COMPLYING WITH HUMAN RIGHTS

Complying with human rights is paramount to everything we do. We are therefore guided by both the UN Declaration of Human Rights and the European Convention on Human Rights. Topics that are particularly relevant to us include principles such as the rejection of forced labour, child labour, exploitation, human trafficking, discrimination and imprisonment. We stand for security and physical integrity, for freedom of thought, conscience and religion, for the right to freedom of expression and for freedom of association and assembly. Complying with human rights is non-negotiable for Cosphatec and we therefore require our suppliers and partners to do the same. As Cosphatec grows, we are gradually expanding our monitoring system, starting by querying criteria, followed by unannounced, personal, on-site audits.

1.2 PROMOTING DIVERSITY

Cosphatec is an international company and is committed to diversity. This begins with fair, friendly, informal and open interaction. When recruiting staff, we undertake to consider applications neutrally and rule out systemic discrimination. We condemn any kind of discrimination, be it racism, sexism, ableism, rejection of certain sexual identities, age groups, religions and democratic-political views. In addition, we are opposed to bullying, sexual harassment and coercion in our daily interactions.

1.3 DEALING WITH INTERNAL COLLEAGUES

1.3.1 OCCUPATIONAL HEALTH AND SAFETY

In order to ensure the physical integrity of all staff, we attach a great deal of importance to workplace safety. Our colleagues' safety is our top priority. We carefully consider whether certain activities and workplaces meet personal safety requirements. All colleagues are actively invited to openly and freely suggest improvements. In addition, we implement the highest safety measures for our laboratory and the handling of raw materials, as required by Germany's strict legislation. We also conduct regular safety training. In the event of illness, we ensure that the recovery of the person concerned is our main focus. Occupational health management includes promoting general health.

1.3.2 WORK-LIFE-BALANCE

As a responsible employer, Cosphatec ensures that staff maintain an appropriate work-life-balance. In order to accommodate different ways of life and living conditions, we offer a great deal of job flexibility. This includes remote working, flexible working hours and part-time working. This is also reflected in fair employment contracts,

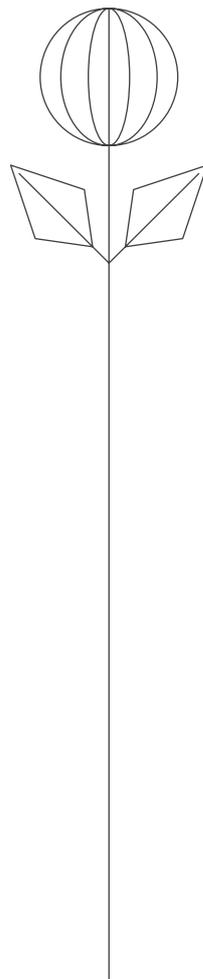
including when determining notice periods and safeguarding employment locations. Overtime is to be avoided or compensated. In addition, Cosphatec shows a high level of trust and appreciation towards its employees. We organise regular joint activities to promote teamwork. Cosphatec also regularly pays voluntary bonuses to allow colleagues to share in the company's success.

1.3.3 TRAINING AND DEVELOPMENT

We are convinced that the continuous training of our staff is crucial for the company's success. We therefore create development opportunities in all departments. We actively support our staff's personal development, by means of further education, training courses and seminars, for example, as well as regular feedback sessions. Our interns enjoy fair working conditions and pay, as well as a supportive and productive environment with the prospect of a long-term career at Cosphatec. We convey our values to new colleagues by exemplifying them in our everyday work. New developments, business issues, strategic forecasts and other corporate information are transparently cascaded to the entire workforce by means of regular presentations.

1.4 DEALING WITH EXTERNAL COLLEAGUES

We also embrace our shared internal values and etiquette when working with external colleagues. When choosing our business partners, we consciously ensure that common values are upheld. Cosphatec therefore treats and respects the employees of its partners and service providers as it does its own colleagues.



2. COMMITMENT TO THE ENVIRONMENT

2.1 COMPLYING WITH ENVIRONMENTAL LEGISLATION AND GUIDELINES

Commitment to the environment is part of Cosphatec's DNA: we aim to replace all the synthetic ingredients in our cosmetic products with natural alternatives in the near future. We therefore comply with the applicable environmental legislation. Our international operations adhere to the strictest guidelines, not the most liberal.

We are also committed to biodiversity and strictly adhere to international agreements and guidelines. These include the Washington Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the International Union for Conservation of Nature (IUCN).

2.2 ECO-FRIENDLY CONDUCT

We ensure that our entire corporate conduct has minimal impact on the environment. We therefore focus on products made from renewable raw materials that meet the requirements of COSMOS, NATRUE, RSPO and Organic certification. Our products also meet a number of other criteria. For example, they are vegan and comply with ISO 16128. Processing natural rather than synthetic raw materials means fewer production steps, shorter supply chains, improved biodegradability and therefore a substantially lower environmental impact.

We organise our daily work according to eco-friendly criteria, such as waste avoidance and disposal, as well as energy and water management. We also consider environmental sustainability and benefits when using technology. Wherever possible, we replace business trips and travel with online meetings, operate a climate-neutral website and procure our raw materials in a consolidated, forward-looking manner.

We are convinced that an environmentally conscious corporate culture encourages employees to adopt a sustainable, environmentally conscious lifestyle. And Cosphatec also strives to be environmentally friendly beyond its day-to-day business. We are always looking for – and seizing – opportunities to reduce our own carbon footprint.

2.3 ANIMAL WELFARE

We are categorically opposed to animal testing. Our aim is to completely avoid animal testing. We therefore always consider and invariably prefer alternatives that have not been tested on animals. We are committed to abolishing mandatory animal testing, as well as to developing and approving alternatives.

3. COMMITMENT TO OPERATIONAL BUSINESS

3.1 ETHICAL BUSINESS CONDUCT

We are committed to always dealing with our partners, customers and service providers in a fair, solution-based and trusting manner in a spirit of partnership. We are therefore very clearly opposed to price dumping, fraudulent activities, corruption and dishonest conduct, as well as to playing one party off against the other. To monitor our standards, we make improvements based on our KPIs, such as complaints, transport damage and supplier ratings. In return, we always provide open and honest feedback.

3.2 PRODUCT SAFETY AND QUALITY

Responsible conduct is a top priority at Cosphatec. This includes implementing a detailed quality management system in accordance with ISO 9001. For example, Cosphatec has its own laboratory with extensive analysis capabilities that exceed market standards. Our elaborate, closely interlinked QM system allows us to meet our strict quality standards and guarantee consistently high product quality. We also maintain a culture of open, proactive communication should problems or questions arise. This is how we ensure constant process optimisation.

3.3 HANDLING INFORMATION AND DATA

Cosphatec operates internationally and manages sensitive data from partners, customers and other parties. Trade secrets and the confidential handling thereof are very important to us. We therefore handle this data conscientiously and have produced a privacy and information security policy. So we are always legally and GDPR-compliant.



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