

## SUMMARY

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### 1 INTRODUCTION

*Cosfinity* believes that integrity, reputation and good business practices are the result of the Directors, Employees, Partners, and Production Units work ethics and conduct.

The *Cosfinity* ETHIC CODE's purpose is to define the principles, core values, and rules for proper conduct that must be followed in daily business management and operations at *Cosfinity*, and to provide a reference guide for every decision.

The adherence to ethical standards and compliance with laws and regulations is a top priority for *Cosfinity*. *Cosfinity* promotes and shares this expected attitude, behavior, and responsibility with its shareholders, employees, and collaborators who are required to comply with and fully respect these standards, or be held accountable, in case of a violation.

Production Units and our Suppliers are also expected to maintain the ethical standards defined in this document and to proactively apply these principles when conducting business on behalf of *Cosfinity*.

In the instance that an employee or customer believes that any representative of *Cosfinity* is not adhering to the ethical values and behavior standards of this Code, he or she must inform the company's Management Board, so that the situation can be properly addressed in a timely manner.

### 2 PRINCIPLES & CORPORATE VALUES

*Cosfinity* also has its own principles and corporate values listed below that were established by the China, US, and EU legislation, and international labor conventions, which must also be applied on a daily basis.

VALUES throughout the organization are:

- Respect for every individual
- Everyone is to be treated equally
- Ensure that there is no discrimination of any sort
- Maintain a healthy and safe work environment
- Honesty and transparency
- Fairness and respect for competitors
- Ethics and professionalism
- Sustainability and environmental respect

The GUIDING PRINCIPLES which must be applied and respected within each operational choice and business decision, in regards to the management of the production and supply chain, are:

DATE and VERSION	ISSUED by	APPROVED by
01 Nov 2019, Version 1	Director Vanessa Fong	Chief Executive Officer Laurence Kuo

- Do not use, support or accept the use of child labor
- Do not use, support or accept the use of forced labor.
- Ensure that all staff works in a safe and healthy workplace;
- Respect the right of Employees to join and form trade unions;
- Do not discriminate people in particular for race, sex, religion, political affiliation, union membership, sexual orientation, health status;
- Do not use, encourage or accept corporal punishment, mental or physical coercion, verbal abuse or harassment;
- Recognize and respect everyone's right to have confidentiality in regards to their personal life occurrences;
- Recognize and promote professional growth, personal satisfaction and involvement in business activities;
- Work in compliance with the international conventions (ILO) and local laws on employment and in compliance with the National Labor Contracts;
- Ensure compliance with the minimum wage levels required by law and by reference by local regulation.
- Ensure compliance within the maximum working hours levels as required by local regulation;
- Ensure the full respect of environmental local regulation and promote the culture of environmental sustainability and energy saving;
- implement procedures and compensation programs and social improvement;
- apply good business practices; do not use, support or accept any kind of bribery, corruption, or any type of fraudulent business practice, including counterfeit;
- support and encourage confidential communication of any violation at the present ethic code, protecting by any form of discrimination or negative consequences who inform the company.

### 3 CORPORATE COMMITMENT

#### 3.1 COMMITMENT TO EMPLOYEES

*Cosfinity* does not use and does not intend to support in any way the use of child labor within its own production and supply chain. In case the local law admits workers below 18, the tasks assigned to the younger workers cannot consider hazardous, heavy and night or weekend works.

*Cosfinity* does not use and does not intend to support in any way the use of forced labor.

*Cosfinity* is committed to ensure that all employees are fully aware of their rights and duties under the employment contract.

*Cosfinity* guarantees to its employees a safe and healthy workplace by complying with the local regulation and by the implementation of the corporate management system, the training and information program on health and safety, the distribution of appropriate Individual Protection Devices. *Cosfinity* ensures that Production Units and Suppliers are equally committed on safety.

*Cosfinity* takes all necessary actions to minimize the safety and health risks within a proper corporate management system including operative procedures, training, information and the use of proper Personal Protective Devices.

*Cosfinity* respects the right of employees to form and join trade unions of their own choosing and the right to participate in collective bargaining.

*Cosfinity* is committed to apply its policies and procedures designed to prevent and combat discriminatory practices during recruiting and hiring, salaries, access to training, professional careers, termination or retirement. *Cosfinity* provides equal opportunities to all Employees and equal employment opportunities to new qualified candidates, combating discrimination due to social castes, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, age, health state.

*Cosfinity* intends to work with the utmost respect for privacy and dignity of employees whether they are direct employees, or Temporary Employees, Freelancers or Collaborators. The Company requires and records only personal data that is necessary for efficient management of personnel or that is required by law. The Company must also comply with all applicable laws regarding the protection and personal data employee management.

*Cosfinity*, with respect to the privacy of all its Collaborators, prohibits any interference in regards to methods of conducting business, and practice outside of the workplace, provided that such conduct is not harmful to the performance at work, undermining reputation business or adversely affecting the confidentiality of business and intellectual property.

*Cosfinity* does not use and does not intend to support in any way the use of corporal punishment, mental or physical coercion, verbal abuse. Any disciplinary sanctions applied to employees are carried out in full respect of the Statute of Employees and the National Agreement.

*Cosfinity* is committed to respect National Labor Regulation and to follow the ILO Convention (International Labor Organization).

*Cosfinity* is committed to providing timely relevant information to employees working on product/services, on customer relations and on the results achieved by employees.

*Cosfinity* is committed to managing a confidential communication channel that allows Employees to openly express opinions, attitudes and concerns and is committed to ensuring an adequate response time to received remarks. No sanctions will be given to those employees who disclose any remarks or manifest any problems or complaints.

*Cosfinity* is committed to stimulate and support training and professional growth of employees, encouraging them to improve and enhance their professional skills.

*Cosfinity* will apply penalties for violations through a fair and approved disciplinary code conforming to the local regulation.

*Cosfinity* is committed to inform Employees about good business practices and the risks of improper practices of bribery, corruption, or any type of fraudulent business practice, counterfeit, or breach of confidentiality that could occur by colleagues, suppliers, customers, authorities, scammer, thieves, criminals, hackers or crackers.

*Cosfinity* is committed to inform Employees regarding the local regulation regarding environmental protection and regarding the culture of sustainability.

*Cosfinity* is committed to inform Employees regarding the local regulation regarding good manufacturing practices and the protection of the final consumers.

### **3.2 COMMITMENTS TO PRODUCTION UNIT AND SUPPLIER**

*Cosfinity* is committed to ensuring fairness, transparency and respect for the rules of loyal competition in all the activities of selection, qualification, negotiation, supply, payment and management of issues.

*Cosfinity* is committed to seek and recognize the value of the product, services and supplier's professionalism, to promote a working relationship based on trust, exchange of information, transparency and professional integrity.

*Cosfinity* is committed to maintain a sincere and open dialogue with suppliers, following good commercial practices, in order to facilitate the management of supplies and constantly ensure the satisfaction of the organization's needs in terms of quality, cost and time delivery.

*Cosfinity* is committed to treat with fairness, justice and without discrimination all business suppliers, guaranteeing supplies payments on time established in the contract or in the purchase order.

*Cosfinity* is committed to assure that its personnel does not apply improper business practices such as bribery, corruption, or any type of fraudulent business practice, counterfeit, breach of confidentiality in relation with the supply chain.

*Cosfinity* is committed to ensure that none of its collaborators act with undue or illegal pressures on suppliers and is committed to punish deviant behavior, ensuring the supplier that we have full readiness to accept any remark of abnormal interference.

*Cosfinity* is committed to respect confidential information and trade related to suppliers, in their activities and their products or production processes, even in cases where it has not been defined and signed by a specific confidentiality agreement.

*Cosfinity* is committed to inform their suppliers of any accounting or administrative errors and correct them immediately with credits, refunds or other measures acceptable to both parties.

*Cosfinity* is committed to ensure that its suppliers and in particular their Production Units are properly informed and involved in understanding and applying its ethical principles, ensuring assistance and cooperation to ensure that any discrepancies or deviations are addressed with solutions or alternatives.

### **3.3 COMMITMENT TO CUSTOMERS**

As part of all promotional, marketing, development, negotiation, order management and delivery to its customer's activities, *Cosfinity* is committed to ensuring fairness, transparency and respect for the rules of fair competition.

*Cosfinity* is committed to inform customers on whether there are potential, new or consolidated attention and listening to the needs and requirements in order to always create a constructive working relationship based on trust, on the exchange of information, transparency and professional integrity.

*Cosfinity* is committed to propose to customers only products and processes which, by their structure and the conditions of production on the basis of available knowledge, are safe and not harmful to the health of consumers.

*Cosfinity* is committed in products and services selling to assign to the goods proposed a correct value commensurate with the intrinsic value of the materials, workmanship, degree of innovation and the degree of exclusivity.

*Cosfinity* is committed to ensure that, even in the absence of technical requirements defined by the customer, implemented specifications and a quality system are defined in order to guarantee in any case the suitability and quality of best practices.

*Cosfinity* is committed to respect confidential information and trade related to the customer, in their activities and their projects or products, even in cases where it has not been defined and signed by a specific confidentiality agreement.

*Cosfinity* is committed to inform their customers of any accounting or administrative error and correct them immediately with credits, refunds or other measures acceptable to both parties.

*Cosfinity* is committed to treat with fairness, justice and without discrimination, all business relationship with customers, guaranteeing equal supplies management.

*Cosfinity* is committed to assure that none of its Employees apply un-proper business practices as bribery, corruption, or any type of fraudulent business practice, counterfeit, loose of confidentiality in the relationship with the customers. Management of scraps and non-conform products must prevent any improper use and risk of fraudulent business practice.

*Cosfinity* is committed to ensure that none of its collaborators act with undue or illegal pressure against the customers and is committed to punish deviant behavior, ensuring customers that we are always available to accept any concerns of abnormal interference.

### **3.4 COMMITMENT TO AUTHORITIES AND PUBLIC ADMINISTRATION**

*Cosfinity* is committed to ensuring fairness, transparency and respect in all relationships with authorities and public administration.

*Cosfinity* will assure that none of its employees engage in improper business practices such as bribery, corruption, or any type of fraudulent business practice, counterfeit, or breach of confidentiality in the relation with the supply chain.

### **3.5 COMMITMENT TO ENVIRONMENT AND TERRITORY**

*Cosfinity* is committed to ensure that all its activities and the activities of all its production units are respectful of the local environmental legislation and is committed to create programs and apply available technologies to ensure and improve the sustainability of products and the reduction of environmental impacts of the production units, mainly considering water and energy saving programs.

*Cosfinity* is committed to support and to improve the relationship with local community where units are present.