

CosfibelPremium

PASSIONATELY CREATIVE

May 13th 2020

COMMUNICATION
ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

CosfibelPremium

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António Guterres Secretary-General
United Nations
New York, NY 10017
USA

Boulogne-Billancourt, France, May 8th 2020

Dear Mr Secretary-General,

I am pleased confirm that COSFIBEL PREMIUM reaffirms its support to the ten principle of the Global Compact with respect to human rights, labor, environment and anti-corruption. Our company is involved in those actions since 2012 and we target to commit on a long term to this values.

We also intend to continue enforcing those principles within our company values, working process, daily work actions and communication towards suppliers as much as customers.

In 2019 we improved in those fields and added up some new certifications also as part of our business commitments and efforts through the year.

As our business grown in 2019, we also improved our communication means to strengthen those values within worldwide teams. We commit to regularly communicate the Communication of Progress (COP) to our stakeholders but also our colleagues, customers and general public.

Today we are glad to share our company actions and results through this 8th Communication of Progress.

Sincerely yours,

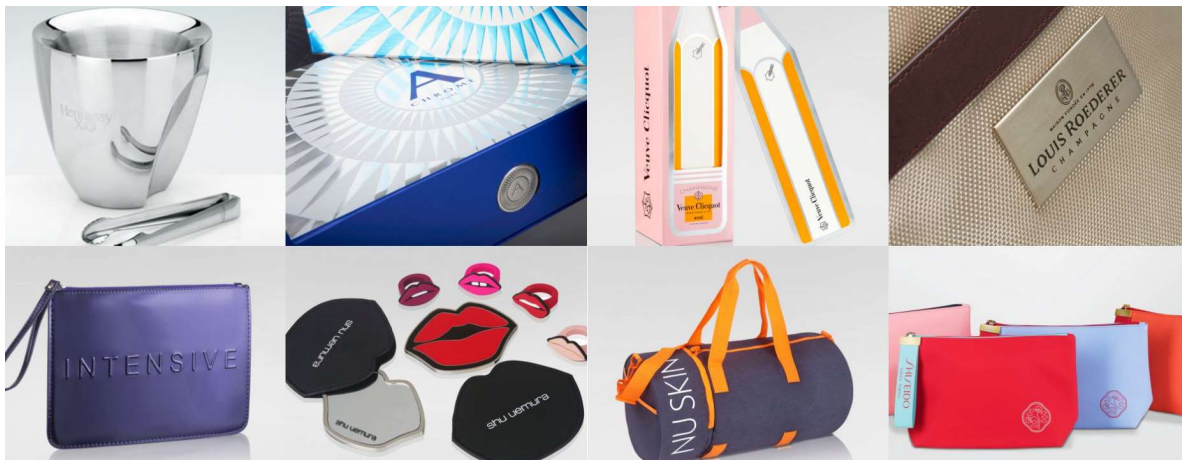


Stanislas Péronnet
COSFIBEL PREMIUM President
Group Chief Operating Officer
Executive Director of Cosfibel Inc.

Presentation of the company

COSFIBEL PREMIUM, a member of the COSFIBEL GROUP, is a global provider of packaging and gifts solutions within the industries of beauty, wine & spirits and fine food. We offer International brands a global and innovative solution of personalized products and services in most of the developed or developing countries.

We study and develop packaging and merchandising solutions ranging from functional and aesthetic packaging to point-of-sale presentations, as well as promotional items such as bags, jewelry, towels and other gifts.



Cosfibel premium is a medium sized enterprise with a main office based in Boulogne-Billancourt in France. In order to strengthen our proximity with our suppliers and customers, half of our employees are based in Asia and our sales teams are located in 15 countries on 4 continents

Since 2014, Cosfibel has decided to include all social, environment and sustainable actions into CARES* program.

*CARES : Cosfibel Actions for Responsible Sourcing



1

Human rights and labor law

The Group has a **BOOK VALUES/ETHICAL CHART** document which is regularly updated by our main shareholder and signed by our board of direction. Here is the last version`s sample :

« 1- Human rights and respect for the environment

COSFIBEL is a citizen led Group that adheres to the Declaration of Human Rights and to the Global Compact Program of the United Nations. It respects the laws and the ethical and civic principles of the states in which it is located.

Created in 2012, the **CARES®** program (Cosfibel Actions for Responsible & Ethical Sourcing) implements the Group's commitment to CSR (Corporate Social Responsibility). This program is based on the present ethical charter, which constitutes the group's DNA and it commits to any collaboration. It carries its values in its priority dimensions of sustainable development, social policy and business ethics. »

«

5- The individual at the heart of CARES

Men and women are the essential value of the Group

COSFIBEL places the respect of the people as an essential value of the company, so that everyone takes part in the common project, without discrimination of any kind. Safety, health, working time, remuneration, social protection, freedom of expression ... the Group is particularly committed in the fight against slavery, non-regulatory working conditions, child labor, and all forms of discrimination.

As part of its CARES INCLUSIVE program and in partnership with certain clients, COSFIBEL conducts projects integrating people with disabilities and promotes the working conditions of populations in vulnerable situations.

For example, LANCÔME and COSFIBEL have been entrusting the packaging of the "Beauty Box" to disabled people in Asia and Spain for more than 4 years. This program has also helped single or women suffering hardship in Shanghai.

Another example: in cooperation with the Chinese government, COSFIBEL forged partnerships with industrial sites in the provinces of Hunan and Anhui where poor people live. This approach results in employing local employees without any family uprooting and to offer them better living conditions.



2

COSFIBEL fully subscribes to the Declaration of the Human Rights and is in our daily mission to ensure that both Cosfibel Premium company and our suppliers do not infringe those pillars .

A dedicated team with an Asia Focus

- ❖ Mr Stanislas Peronnet, Cosfibel COO, based in Europe, 10% of his time on CRS.
- ❖ One Ethical Sourcing Manager and based in Hong Kong,
- ❖ One social and environment projects coordinator, based in China mainland, 100% of her time allocated to CSR.

It shows a long term commitment to have invested in a stable team to reinforce both social and environment aspects and get closer to high risk regions which are mainly in Asia in the case of Cosfibel Premium activity.

All Cosfibel teams to vehiculate social values

In 2019, we have also added up more committee, meetings and trainings about human right and labor law to well control along our supply chain . With this additional communication we ensure that those values are well known and well followed in our daily actions.

Therefore the Cosfibel teams are able to ensure socially compliant chain in the 12 countries where we have suppliers.



3

Cosfibel is a good example of women empowerment company.

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RAPPORT SOCIAL ET DROITS DE L'HOMME
SITUATION CHEZ COSFIBEL PREMIUM
JUIN 2019

In 2019, the main Cosfibel bureau conducted an employee survey and analyze to report the company social situation to the top management :

- ❖ In average over 2019, more than 78% were women in our French head quarter
- ❖ Our company has been paying men and women at the same level (with same education and position criteria)
- ❖ Cosfibel has a fair mix of age among the employees with a mix of generations X, Y, Z which are a great tool for young generations to learn with the older ones and get chances of promotion






4

Our monitoring of human rights and labor conditions strictly following international standards.

As traders, we have a strong responsibility and commitment to ensure that our supply is well controlled and fulfill all human rights and labor principals.

For this we have our CSR team, all Cosfibel department support , but also 3rd party SAAS certified audit companies.

All purchase and business is done with approved factories only and this wherever their country location.

Since over 13 years, Cosfibel has worked along per various standards such as L`Oreal, SA8000, Flocert, WRAP, BSCI, Wethica or SMETA 2 pillars mainly.

From 2016, as a wish to harmonize our requests along the supply chain, we decided to enforce SMETA 4 pillars audits and systematically suggest such audit to customers before considering going for other standards.

Cosfibel itself as trader and as an operating company is audited on regular basis by recognized companies through FSC, GRS, Ecovadis and local government governance.






In 2017, Cosfibel Premium has decided to widen the scope of its social program CARES® (“Cosfibel Actions for Responsible and Ethical Sourcing”) related to social and environment aspects.

- ❖ CARES® is now including all our social and environmental actions and its name and/or logo is included in all our communication tools.

Thanks to this communication tool and because CARES® was already well known in Cosfibel Group as well as among Cosfibel customers and suppliers, Cosfibel emphasizes the importance of its social actions and involves all departments.

In 2017, in its Social and Responsible Policy, Mr Stanislas Peronnet, COO of Cosfibel Group insists that :

« We promote concrete actions for social inclusion throughout our supply chain. In our CARES program, the INCLUSION Section constantly engage our suppliers to promote social inclusion in their own business activities.

»



COSFIBEL has been involved for several years in an active approach to sustainable development, one of the three pillars of which is respect for the environment. In 2018, the creation of a Sustainable Development Department intensified this approach.

In 2017, on our **BOOK VALUES/ETHICAL CHART** we now declare :

6- Sustainable development: deployment and achievement of objectives

For many years, COSFIBEL has been actively strengthening its CARES policy (Eco design, energy savings, waste reduction and management, choice of recycled and recyclable materials, management of supply and distribution flows ...)

Each year, the Group manages over fifty internal and external audits to improve its standards in terms of social, safety and environmental policy. COSFIBEL engages in major international programs (REACH, EcoVadis, SMETA-SEDEX four pillars, FSC approval FSC® (Licence number: FSC-C100313) ...).

The CARES goals are part of the entire organization's in order to promote and ensure the proper deployment of the Group's CSR policy. This involvement also concerns every partners, for the good of the Group and the satisfaction of its customers.

In 2017, Cosfibel states in its Quality manual :

“ENVIRONMENTAL SOLUTIONS: We are turned towards sustainable development always more efficient for an optimized environment protection and can propose to our customer environmental friendly packing and recycled materials. FSC certification: Cosfibel is FSC certified (French and Hong Kong offices) and is able to sell and develop FSC certified items. Environmental”



2

Our “**General Terms of Purchase**” also include environmental commitments, and in particular recommendations on the materials used:

- ❖ The deliberate addition of chemicals that may be hazardous to health or to the environment is strictly forbidden.
- ❖ We prefer to use recycled materials, provided that these materials are of the requisite quality and that sufficient quantities are available. We also wish to be notified in the event that recycled materials may potentially be used, so that we can offer this option to our customers.
- ❖ The minimum possible volume of packaging must be used.
- ❖ All paper and cardboard must be ECF (Elementary Chloride Free).

Compliance with the chemicals regulations and the protection of the natural resources of each country and region is our priority. We have a strict program for the European Reach regulations and the RBUE regulations for example.

We are also cautious to all developments outside Europe (USA and Japan Textile Standards, California Proposition 65, etc.) and we must respect higher standards either on our own initiative or from our customers.

We carry out regular laboratory tests to ensure the absence of prohibited substances and carry out strict follow-up of traceability and original research of materials.

We involve our suppliers and we also ask them to confirm in writing the compliance of the goods to our local countries regulations or customer own requirements.

In 2019, we have been intensively working on more eco design and more eco material and as a result, we have increase our eco material by over 340%. We aim as increasing the eco material in our products again in 2020.






3

In 2017, Cosfibel organized a 44 questions environment questionnaire following the basics of ISO14001, and in 2018 we kept working on this program together with our partner factories.

The purpose is to check factory situation in details and have a proper action of training on precise points whenever a major or critical point is found.

Cosfibel is so far organizing those actions together with his internal auditor.

Procedure :

1-Ask factories to answer to the questionnaire by themselves

2-Cosfibel auditor go to factories and check each points and supporting documents together with factories.

3-Discussion and training start whenever there are discrepancies with the original self questionnaire or with the audit.

In 2019, Cosfibel has persue the program and kept audits and tracking of the factories situation



Anti-corruption

1

In Cosfibel, the anti corruption guidelines and principles are express on a direct and clear manner towards both Cosfibel team and its suppliers through :

-Our "General Terms of Purchase"

-Anti bribery Policy

Our control policy is defined in a very strict and constant awareness of our teams to prevent corruption such as:

- ❖ The selection of suppliers is done on the basis of competitiveness and quality performance criteria calibrated by quantitative and qualitative indicators. (Same guideline applies to all suppliers)
In order also to limit the corruption risk, we have group decisions on the suppliers choice and attribution of big orders.
- ❖ Cosfibel employees including sales and purchasing operations are aware of such risk among customers and suppliers and ensure the transparency of the markets on which they are working.

Regular trainings of the team but also regular reminder to suppliers about none bribery is conducted from top management to middle management and this from every offices of Cosfibel Group.



1

Sustainable development goals

Cosfibel contributes to the broader objectives and issues of the UN:

We contribute, directly or indirectly, through our business and competence to the following broader United Nations development goals.

With its own CARES program (Cosfibel Actions for Responsible and Ethical Sourcing), Cosfibel main targets for 2020 are :

- ❖ Increase the number of FTE (in 2020) (L`Oreal program)
- ❖ Increase the use of more eco friendly material and eco construction for our final products
- ❖ Add up more eco material within our product range
- ❖ Increase our logistics good practices to lower environmental impact
- ❖ Increase our Ecovadis score from 60 to 62.

