



ETHICAL CODE

Calceranica al Lago (Trento), 14/06/2017



foreword purposes



The Coster Ethical Code is an official document of Coster Group, i.e. the group of companies formed by Coster Tecnologie Speciali S.p.A. and the sister companies under its direct control (Coster, hereinafter). It provides a set of commonly agreed values and principles which reflect Coster's commitment towards conducting business responsibly.

The Coster Ethical code is built on 3 key pillars:

- 1) Be lawful and act with integrity in the marketplace
- 2) Respect human rights and create a positive workplace
- 3) Safeguard the environment and the health of future generations

All of Coster's management and employ-

ees are bound to observe the Coster Ethical Code. The Coster Ethical Code is a public document available to anyone and Coster is committed to promoting it internally with all means.

As well, Coster distributes and promotes the Ethical Code to the Suppliers through the supply chain, with the request to formally commit to acknowledge it and adhere to its principles.

The Ethical Code has been approved by the Board of Directors of Coster Group.

communication channels compliance line &

Every Coster company has established appropriate and accessible communication channels available to all employees to report on the Code. The channels shall be widely communicated and the anonymity of the user always guaranteed as well as the confidentiality of any complaint, if desired. Any matter communicated via the channel is required to be fully investigated and result in a fast and unbiased resolution. Any form of retaliation based on complaints communicated via the channel is strictly forbidden. Every subsidiary has / will have nominated a local responsible for the channel. Unless otherwise stated, this role normally coincides with the local HR function.

The Compliance Line is a mean to confidentially report by email about financial, research, manufacturing, environment, health, safety, ethical matters and any other questions and suggestions relating the Code for the purpose of helping Coster to identify and address them in a positive and constructive way.

Although direct discussion with one's supervisor is the preferred mode, in some circumstances an employee may feel the need for a more confidential, sometimes anonymous ability to express good faith concerns about presumed non-compliance. Reports through this option of the Compliance Line are entered directly on a secure server to prevent any possible breach in security. Coster makes these reports available to specific individuals at the Headquarters Company who are charged with evaluating the type of problem and location of the incident, and who understand the importance of maintaining confidentiality. The team

and staff are trained and committed to ensure that no report is shared with implicated parties, their peers, or subordinates. The Compliance Line report distribution process is designed so that a report is not shared with implicated parties or their subordinates.

The way for our employees across the globe to reach the Coster Compliance Line is to send your complaint or concern by email to compliance@coster.com or by mail to:

Coster Tecnologie Speciali Spa
Attn: Legal Department - Compliance Line
Via Leonardo da Vinci, 2 20016 Pero (Mi) - Italy

The Compliance Line is based on the procedures studied by our internal control, under the direct supervision of the Chairman Of The Board Of Directors and Chief Executive Officer.

lawful conduct & business integrity

a. bribery

Coster is committed to highest standards of integrity, honesty and fairness in all internal and external affairs. Coster is also committed to fully comply with all national and international anti-corruption laws, in particular:

- OECD Convention on Combating Bribery of Foreign Public Officials
 - OCSE Guidelines and Foreign Corrupt Practices Act
- Bribes, illegitimate favours, collusion, requests for personal benefits for oneself or others, either directly or through third parties, are prohibited without any exception.

b. competition and competitor information

Coster recognizes the importance of a competitive market and is committed to fully comply with all anti-trust and pro-consumer laws in force in all countries where it operates. Coster's management and employees will not engage in business practices (i.e. price cartels) which may represent an anti-trust violation.

All information about Coster's competitors is obtained legitimately and will only be used for legitimate purposes in compliance with all anti-trust laws and regulations.

c. compliance with laws

Coster is committed to ensuring that its business activities do not violate applicable domestic or international legislation in all countries where it operates.

d. confidentiality obligation

The know-how and intellectual property developed by Coster is a fundamental and critically valuable resource which all of Coster's management and employees are called upon to protect. Coster's management and employees are bound not to reveal to third parties any information regarding the technical, technological and commercial know-how of Coster, nor any other information regarding Coster that is not in the public domain, except cases in which such disclosure is required by law or by other regulatory directives, or where it is expressly provided by specific contractual agreements whereby the parties have committed themselves to using such information exclusively for the purposes for which it was transmitted and to maintaining its confidentiality.

All confidential information, know-how and intellectual property provided by third parties such as suppliers, clients and outsourced service providers must be equally respected and safeguarded according to the above principles and only used for its intended and designated purpose.



e. conflicts of interest

All decision taken on behalf of Coster must be made in the interest of Coster. Coster's management and employees must avoid every possible conflict of interest, with particular regard to personal, financial or family considerations (i.e. the existence of a vested interest in a supplier).

Coster's management and employees shall avoid and report any conflicts of interest between personal and family economic activities and their tasks within the company. Any situation that constitutes or might constitute a conflict of interest must be reported immediately to the direct supervisor.

f. financial records, money laundering and insider trading

All of Coster's business and commercial dealings must be transparently performed and accurately recorded in the books and records.

The transparency, accuracy and completeness of the balance information have noteworthy relevance. At this regard, every employee is required to collaborate to ensure that the management facts are properly represented.

Coster's management and employees will not be engaged or involved in any activity which may imply the laundering of proceeds of criminal activities in any form or manner whatsoever. Before establishing any business relationship with a third party, Coster shall check available informa-

tion (including financial information) on its proposed business partners and suppliers to ensure that they are reputable and involved in a legitimate business. Coster shall always comply with anti-laundering legislation in all countries where it operates.

Coster's management and employees are strictly required to comply with the insider trading legislation in all countries where it operates. In particular, Coster's management and employees shall never make use of information not in the public domain and obtained as a result of her/his position within Coster in order to obtain a personal advantage or to favour third parties.

g. gifts, hospitality and entertainment

Commercial courtesy, such as small gifts or forms of hospitality, is only allowed when its value is small and it does not compromise the integrity and reputation of either party, and cannot be construed by an impartial observer as aimed at obtaining undue advantages. In any case, these expenses must always be authorized by the designated managers and be accompanied by appropriate documentation. It is forbidden to accept money from individuals or companies that have or intend to have business relations with Coster.

Anyone who receives proposals of gifts or special or hospitality treatment that cannot be considered as commercial courtesy of small value, or requests therefore by third parties, shall reject them and immediately inform the direct supervisor.

h. privacy

In the conduct of its normal business operations, Coster collects a significant amount of personal data and proprietary information and is committed to processing such data and information in compliance with all existing privacy laws in force in any jurisdiction where it operates.

employees & working rights

Coster recognizes the importance and supports the protection of human rights. Coster is committed to complying with the UN Declaration of Human Rights. All of Coster employees and management are bound to comply with following principles.

a. child and forced labour

Coster does not employ any form of forced, mandatory or child labour, i.e. it does not employ people below the permissible working age established by the laws of the place where the work is carried out. In any case, no workers under the age of 15 will be employed under no circumstance. Coster is also committed to not establishing or maintaining working relationships with suppliers that employ child labour as per the above definition. Work is conducted on a voluntary basis within Coster. Any form of forced labour is not accepted. Mental and physical coercion, slavery and human trafficking are prohibited.

b. equal opportunities

Coster is committed to ensure equal opportunities to all its employees, on the job and on the career advancement.

The head of each company / department shall ensure that in every aspect of the employment relationship (e.g. recruitment, training, compensation, promotion, transfer) employees are treated according to their abilities to meet the job requirements. All decision shall be free from any form of discrimination (e.g. gender, race, sexual orientation, social and personal position, physical and health condition, disability, age, nationality, religion, political orientation, personal beliefs).

Any kind of health screening (i.e. pregnancy testing) that might result in discrimination are strictly prohibited.

c. freedom of association

Coster employees are free to join a trade union in accordance with local laws and the rules of trade union organisations. Coster recognises and respects the right of representation of its employees and no employee is intimidated or harassed in the exercise of her/his rights to join or refuse from joining any organisation.

d. harassment

Harassment of any kind, such as racial or sexual harassment or harassment related to other personal characteristics which has the purpose or the effect of violating the dignity of the person who is the victim of such harassment, is not tolerated by Coster whether it takes place inside or outside the workplace.

e. hiring and promotion practices

No Coster employee shall accept or demand promises or transfers of money or goods or benefits, inducements or services of any kind whatsoever that may be designed to promote the hiring of any person as an employee or further his/her transfer or promotion.

f. occupational health and safety

Coster recognizes health and safety in the workplace as a fundamental right of employees. Any decision taken by Coster must respect the health and safety in the workplace and comply with at least the minimum standards of the legislation of the countries where it operates.

Coster has adopted and continues to improve efficient occupational health and safety policies which implements preventive measures, both at the individual and collective level, to minimize the potential for injury in the workplace.

Coster also seeks to ensure industry leading working conditions, in accordance with principles of hygiene, industrial ergonomics and individual organizational and operational processes. Coster believes in and actively promotes the dissemination of a culture of accident prevention and risk awareness among workers, in particular through the provision of adequate training and information.

Coster Employees are required to be personally responsible and to take the preventive measures established by Coster for the protection of their health and safety and communicated through specific directions, instructions, information and training. Each employee is responsible for proper management of safety and should not expose him/herself or other workers to dangers, which could cause injuries or be damaging for themselves.

All Coster workers have freedom of movement and are not confined to Coster's premises.

g. remuneration and working time

Compensations and benefits paid to Coster's employees will satisfy at least the applicable legal minimum standards in all countries where it operates. Where applicable, the compensation terms established by legally binding collective bargaining agreements are implemented and adhered to.

Coster complies with local legislation and business practices of the countries where it operates in relation to working time (regular and overtime). No employee will be requested to work more than the hours allowed by the countries where it operates. All overtime work is on voluntary basis and paid at least the rate defined by the local law

h. terms of employment

All work is conducted on a voluntary basis. Employees working within Coster do it freely and on agreed and document terms of employment that satisfy at least the applicable minimum standards of the legislation of the countries where Coster operates. All employment contracts are in a language understood by the worker.



sustainability & land rights

a. sustainability

Coster considers environmental protection as a key consideration to be fostered in the overall approach to business.

Coster is committed to continuous improvement of the environmental performance of its operations and to complying with all relevant legal and regulatory requirements of all countries where it operates.

Coster stimulates and motivates employees to take an active part in the implementation of these principles through information dissemination and regular training and expects the employees to have an active role in applying such principles in their working activity.

Coster is also committed to producing and selling, in full compliance with legal and regulatory requirements, products of the highest standard in terms of environmental and safety performance. Moreover, Coster endeavours to develop and implement innovative technical solutions to minimize environmental impact and maximize safety. The Energy saving, CDP surveillance and control of all forms of energy consumptions is one of the pillars of Coster's approach to reduce the footprint and care for the environment and sustainability. Coster also encourages the safe and eco-friendly use of its products, providing customers with information regarding the use, maintenance and dismantling of its products.

b. land rights

Coster adopts a zero tolerance approach to land grabs and the rights and title to property and land of the individual, indigenous people and local communities are respected.

Coster adheres to the principles of Free, Prior and Informed Consent (FPIC) in all negotiation with regard to the property or land of the individual, indigenous people and local communities.

A due diligence is undertaken to uphold individual or indigenous people's established rights to property and land, where applicable.

infraction of ethical code rules

The rules included in the Ethical Code integrate the behaviour which every employee is required to observe by virtue of the applicable law and the obligations provided by collective bargaining agreements.

The infraction of Ethical Code rules prejudice the relationship of trust between employee and Coster and it may cause a disciplinary or legal action, if it is deemed as a breach of the contractual obligations of employment relationship or professional co-operation.

In the most serious cases the violation can determinate the termination of the employment contract, if it is put into effect by an employee, or the termination of the business relationship, if it is put in place by a collaborator or a third party (supplier, etc.).

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