



 **COSTER**

**SUPPLIER
CODE OF CONDUCT**

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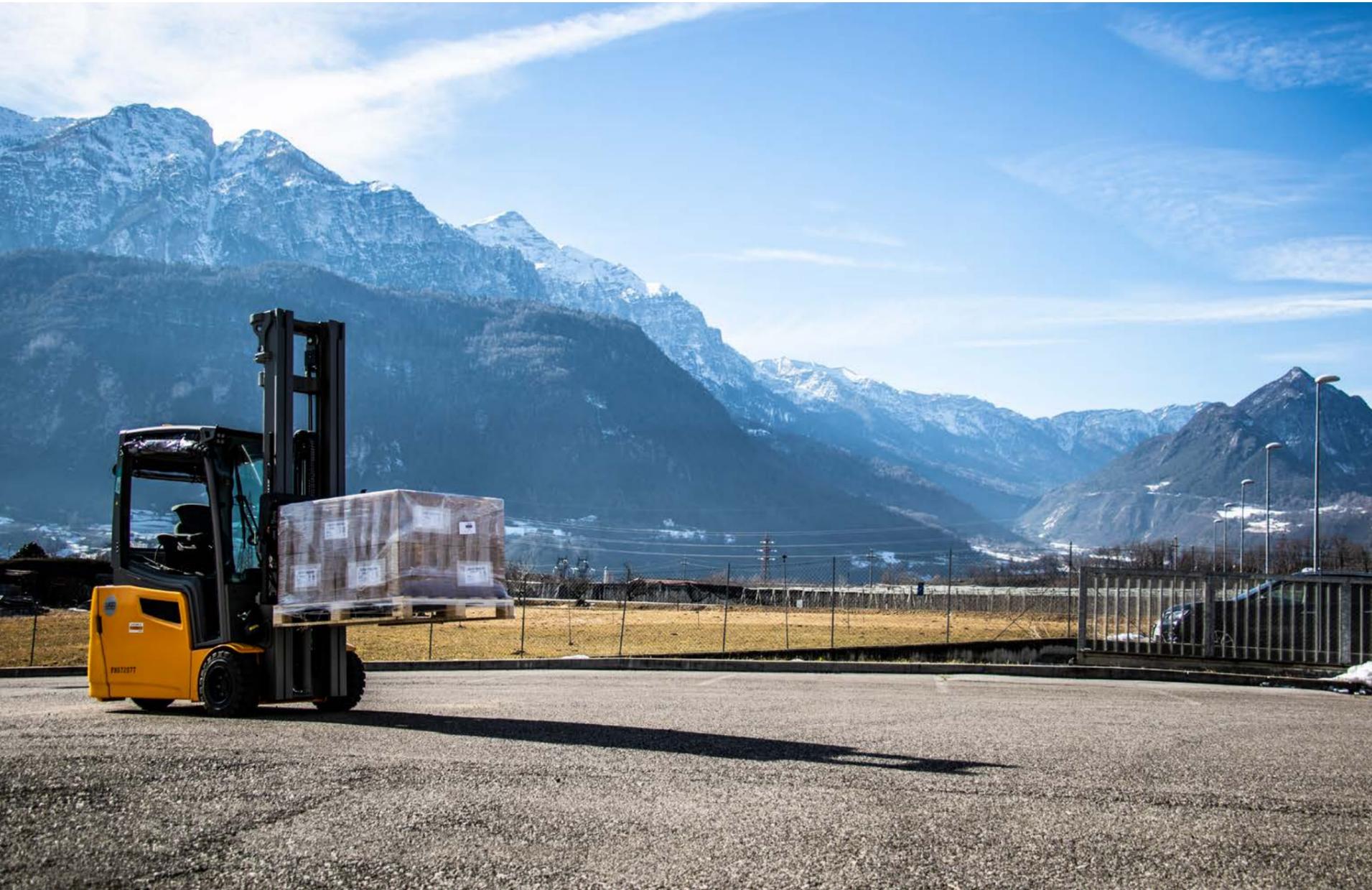
INTRODUCTION

This Supplier Code of Conduct reflects the internal values already stated in the Coster Ethical Code and addressed to the commitments of:

- being lawful and acting with integrity in the marketplace;
- respecting human rights and creating a positive workplace;
- safeguarding the environment and the health of future generations

Consistently with such principles and in the framework to integrate the Corporate Social Responsibility into the relationships with our business stakeholders, Coster considers the collaboration with the Supply Chain fundamental to achieve the highest sustainable standards. In addition to all applicable legal prescriptions, regulatory requirements and to any agreement or contract between the parties, Suppliers are therefore asked to share a common commitment to the following points concerning, Business Integrity, Employee and Working Rights, Respect of the Environment, Transparency.





RECIPIENTS

The recipients of this Code are all Coster Suppliers of productive and non-productive items, contractors and consultants. The recipients have the responsibility to extend the provisions of this Code to all workers, including those who are engaged informally, on short-term contracts, or on a part-time basis. It is the responsibility of recipients to ensure that their own Suppliers uphold the standards of this Code, as well as their own contractors, external partners and other players being part of the recipient's supply chain. Recipients are expected to communicate the content of this Code internally and externally and ensure that all measures are implemented accordingly.

Recipients are asked to sign the acknowledge the form attached to this Code to confirm their adherence to all relevant contents.



1. BUSINESS INTEGRITY

a. Anti-Corruption

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

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.

It is forbidden to accept money from individuals or companies that have or intend to have business relations with the Supplier.

b. Industrial and Intellectual property, protection of competition

Supplier promotes the protection of industrial and intellectual property at all levels of the value chain. Supplier

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.

c. Confidentiality Obligation

Supplier promotes the confidentiality of information in the management of operations and business activities.

The know-how and intellectual property developed by the Supplier is a fundamental and critically valuable resource which all of Supplier's management and employees are called upon to protect.

d. Conflict of Interest

Supplier operates to avoid situations of conflict of interests by following the rules of fairness and impartiality. Supplier'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).

All Suppliers must disclose any actual or potential conflict of interest and discuss it with Coster's management. Any activity that is approved, despite an actual or apparent conflict, must be documented.

e. Financial records and money laundering

No Suppliers may engage or otherwise become involved in any activity involving, or which may give rise to the appearance of money laundering and shall strictly comply with applicable anti-money laundering laws. The transparency, accuracy and completeness of the financial records have noteworthy relevance.

f. Privacy

In the conduct of its normal business operations, Supplier 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.



2. LABOR & HUMAN RIGHTS

a. Child labor

No Suppliers may employ child labor. The term "child" refers to a person who is younger than 15 years old or who has not yet reached the age for completing compulsory education, whichever is greater. (ref. ILO Convention n. 138)

b. Forced labor

No Suppliers may employ forced labor. Employment must be voluntarily and freely chosen. All Suppliers, including recruitment agencies used by a Supplier, must verify the legal employment eligibility of all persons to work and not use any form of prison, indentured, forced, involuntary, bonded or slave labor. Involuntary labor includes the transportation, harboring, recruitment, transfer, receipt or employment of persons by means of threat, force, coercion, abduction, fraud or payments to any person having control over another person for the purpose of exploitation. No Suppliers will require employees to lodge deposits or identity papers, or to pay recruitment fees. (ref. ILO Conventions n. 29 and n. 105)

c. Non-discrimination

All Suppliers must treat their workers in a fair and non-discriminatory manner with the guarantee of equal opportunity and the absence of any policy aimed at or indirectly resulting in discrimination towards them on any basis whatsoever including but not limited to race, gender, sexual orientation, social and personal position, health condition, disability, age, nationality, religion, political or personal belief (in accordance with applicable laws). (ref. ILO Convention n. 111)

d. Freedom of association

All Suppliers shall freely allow workers to join associations and bargain collectively in accordance with local law without interference, discrimination, retaliation, or harassment. (ref. ILO Conventions n. 87 and n. 98)

e. 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 the Supplier whether it takes place inside or outside the workplace.

f. Occupational health and safety

All Suppliers must provide and maintain a safe work environment in compliance with all applicable laws (ref. ILO Convention n. 155). The necessary policies and preventive measures both at the individual and collective level are implemented to minimize the potential for injury in the workplace. A Health & Safety Management System according to international standards (i.e. ISO 45001) is strongly recommended.

g. Wages and Hours

All Suppliers must ensure that all their workers receive at least the legally mandated minimum wages and benefits. Working conditions, working time and compensation must be fair complying with the laws, standards and practices applicable in those countries where the Supplier operates. Overtime work is always on voluntary basis. Suppliers must maintain required official documentation that verifies an employee's age, wages and hours worked. Coster reserves the right to review this documentation if necessary.

h. Terms of employment

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



3. RESPECT OF THE ENVIRONMENT

Coster considers environment as a key common resource to preserve for current society and future generations to be fostered in the overall approach to business through the entire value chain.

a. Legal compliance

Our Suppliers shall comply with all applicable laws and regulations concerning environmental protection and crimes preventions of the countries and localities in which they operate also maintaining awareness of evolving environmental legislative requirements. Suppliers are also expected to conform their practices to generally accepted industry standards, obtain and maintain all applicable permits and registrations and operate in accordance with prescribed limitations and requirements at all times. Suppliers shall prohibit the use of restricted materials or hazardous substances that are subject to national or international bans. Also, the use of potentially dangerous substances as defined by applicable laws shall be avoided. An Environmental Management System (EMS), according

to international standards (i.e. ISO14001, EMAS), is strongly recommended.

b. Environmental and climate protection

Any activities which could adversely impact the environment shall be preventively managed, controlled and appropriately handled. In particular, Suppliers will prevent or mitigate accidental spills and releases of contaminants into the environment. Logistic management policies shall be applied to take environmental impacts into consideration. Suppliers shall also commit to reduce the natural resources consumption to tackle their depletion, to develop and use products which are fully climate respectful and to minimize the raw material contents wherever possible without adversely affecting the product quality and safety standards.

c. Promotion of sustainable development

Coster expects that Suppliers promote and propose initiatives targeted to the reduction of environmental impacts of operations and products, both at their site

and in the supply chain. These initiatives shall include products and processes innovation, technology, recycling and reuse, eco-design, design for recyclability, use of sustainable materials like e.g. post-consumer recycled and bio-polymers, in the perspective of circular economy while respecting the highest quality and safety product standards.

d. Management of energy consumption and emissions

Suppliers are asked to measure, control and record the energy consumption of their operations and to give preference, whenever possible, to purchasing energy from renewable sources. Suppliers shall commit to energy management systems and undertake initiatives of energy consumption reduction and energy efficiency, thus decreasing their greenhouse gases emissions in the atmosphere. Metrics and targets are expected to be put in place and managed to continuously improve the carbon emissions performance.

e. Wastes management

Suppliers shall implement programs to manage hazardous and non-hazardous wastes responsibly and compliantly with laws, by means of correct identification, separation, transport and storage, starting from the waste generation until final disposal. Suppliers are encouraged to foster measures addressed to materials recycle and reuse.

f. Water withdrawal and discharge

Suppliers shall work to responsibly use the water resources in view of water conservation, reuse and wastewater discharges reduction.

g. Monitoring, reporting and training

Suppliers are encouraged to implement environmental monitoring and clear accountability systems, as well as to provide Coster with information regarding environmental performances including product life cycle and disposal scenario.



4. TRANSPARENCY

a. Providing evidence of compliance

Our Suppliers shall continuously monitor and report compliance with this Code of Conduct and maintain the necessary documentation to prove compliance with its provisions and standards, as well as with applicable legislation.

Suppliers shall promptly notify Coster of any areas of non-compliance and relevant planned corrective actions. Suppliers shall never hide any critical areas or plead ignorance of any non-compliance areas.

b. The auditing system

Coster reserves the right to assess, with or without prior notice, Suppliers' compliance with the Code by Coster personnel or by organisations appointed by Coster. Such controls may include facility inspections and worker interviews. Coster requires collaborations from Suppliers during these auditing activities and expects Suppliers to address shortcomings to the present Supplier Code of Conduct with targeted corrective measures and remedies.

c. Reporting violations

Suppliers are responsible for reporting to the Company suspected violations of the law, the Coster Code of Conduct or this Supplier Code of Conduct. Among other means, Suppliers may use the Company's compliance line. If you know or become aware of a violation or suspected violation of this Code by Supplier or any of its business partners and sub-contractors, we ask you to contact Coster Tecnologie Speciali S.p.A.: odv@coster.com. Any kind of threat, retaliation, penalty or discrimination against the Reported Party – or anyone who has participated in the investigation into the validity of the Report – will not be tolerated.

Coster encourages Addressees to promptly report possible unlawful conduct or irregularities, and in doing so Coster guarantees the confidentiality of the Report and the information it contains, as well as the anonymity of the Whistleblower or sender.

Coster reserves the right to take the appropriate actions against anyone who retaliates or threatens to retaliate

against Whistleblowers who have submitted Reports in accordance with this Code of Conduct, without prejudice to the right of the affected parties to seek legal protection if the Whistleblower is found to be criminally or civilly liable for falsehoods in their statements or reports.

It is understood that the Group may take appropriate disciplinary and/or legal measures to protect its rights, assets and reputation against anyone who, in bad faith, has made false, unfounded or opportunistic Reports and/or has made Reports for the sole purpose of defaming, slandering, or causing damage to the Reported Party or to other parties mentioned in the Report.



REFERENCES

Universal Declaration of Human Rights;

International Labor Standards (ILO);

OSHAS and ISO Standards for Health and Safety, Environment, Energy management



www.coster.com