COSTER

SUSTAINABILITY 2021
REPORT

Calceranica al Lago (TN) - Italy
July 2022

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SUSTAINABILITY REPORT 2021
LETTER TO STAKEHOLDERS

LETTER TO STAKEHOLDERS

Dear stakeholder,

the past year didn't spare us big challenges but rather put us in front of renewed and strengthened awareness regarding the big climate impacts and the sanitary emergency in progress. The new arrival of the energy and raw materials crisis then put a strain on companies' business and supply chain as never before, driving big changes in strategies, consolidated processes and working methods.

Nevertheless, more than ever, in 2021 Coster has found confirmation of the soundness of the Sustainability mission that it has taken up and has tackled this uncertain situation by resolutely carrying out the environmental, social and economic strategy pursued by the entire Group.

We made further big progress in our energy-related carbon neutrality ambition, also recognised by CDP within the Leadership band of Climate Change management. The year 2021 has been rich in achievements like Scope3 first calculation and new ISO 14001 certifications, but also in new PCR-containing, recyclable, reusable and eco-designed developments, awarded by international institutions and responding to our commitments towards the "New Plastic Economy Global Commitment". Last year we have opened the new era of the Coster Innovation & Discovery structure, which walked side by side with the Sustainability team to develop mono-material and green-propelled technology-advanced solutions.

Beyond this, the past year has seen the birth of the Coster Academy of technology for internal employees and talented students, as well as of the Seminars for our Community program promoting open conferences in the local community on subjects of public interest. The renewed ISO 26000 and ISO 20400 certifications testify a journey responsive to social responsibility and sustainable procurement.

For 2022 we have ambitious projects and challenging targets. Having recourse to our enthusiasm, resilience and capability, this year we will write other important pages of our sustainability story[02].

Martina SEGATTA
Group Vice President

Bernard MSELLATI
Group President & CEO

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SUSTAINABILITY REPORT 2021
METHODOLOGICAL NOTE

METHODOLOGICAL NOTE

Coster's 2021 Sustainability Report represents the main means of communicating to the stakeholders the Company's commitment and the path towards Sustainability. Coster is developing and implementing the Corporate Social Responsibility along its chain of values, making Sustainability an integral part of its business. For this reason, Coster has adopted precise, measurable and reproducible key performance indicators (KPI), which are an objective for all corporate functions[01].

Unless otherwise stated, the scope (reporting period) of Coster's Sustainability Report covers information and data for the year 2021 – with coincides with the calendar year- consolidated in the Annual Report at December 31, 2021[02]. Coster issued this document in compliance with the 2020 consolidate version of GRI Standards, and follows the Core option. As this non-financial report is at its fifth edition, Coster believes it is of utmost importance to provide the stakeholders with a yearly document[03] outlining the company's efforts in implementing its Corporate Social Responsibility policy [04].

The complete review of the annual Sustainability Report is made by the entire Executive Committee (ComEx), including the President and the CEO, where all the executive officers check the contents with a specific focus on the material topics covered by their position in the Organization. The CEO finally approves the Sustainability Report and ensures that all material topics are adequately covered and reported[05].

Unless otherwise specified or required by the context in which they are used:

- the terms "Coster", "Coster Group", "Group" and "Company" refer to all companies consolidated within Coster Tecnologie Speciali SpA

- the term "Customer" as used in this Report refers to the end user of our products or services

The boundaries[06] in this report are extended compared to the previous year with the inclusion of the Coster 4 and Central Warehouse sites.

The exclusion of a specific geographical area, Group company or site from the scope of reporting is due to:

- The impossibility of obtaining data of satisfactory quality,

- The lack of relevance in relation to the Group as a whole,

- The newly acquired entities or production sites that are not yet fully operational,

- The lack of influence or involvement in management.

For these reasons, the following sites are not included in this report: Coster Asia Pacific Pte Ltd, Coster Packaging do Brasil Ltda (sales offices) RxPack, S.r.l. and Catidom S.A.S.

For any claims connected to this fifth non-financial report, please contact Andrea Raineri, Group Innovation & Sustainability Director by phone at +39 0461 726457, or by email at andrea.raineri@coster.com[07].

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COSTER AT A GLANCE

Founded 1963 in Italy

Family and women-owned

Headquartered in Calceranica al Lago, Trento – Northern Italy

980 employees

16 manufacturing sites

Global presence in 11 countries in 4 continents

Over 4 BN products manufactured

3 business units: packaging, machinery, anodization

Coster is a multinational provider of spray packaging solutions. Its products are used on daily basis by millions of consumers all over the world in a variety of markets, ranging from personal care to households, perfumery and technical.

The company strives at making a positive impact on communities by developing and supplying the most efficient and sustainable products. It does leveraging on the knowledge of its organization, innovation expertise, sustainability leadership and manufacturing excellence.

TURNOVER 2021
218,102 K€

GROWTH vs 2020
11,3 %

AEROSOL PACKAGING 66%
ANODIZING 5%
MACHINES 5%
PUMPS 24%

2021 TURNOVER BREAKDOWN　**BY PRODUCT CATEGORY**
BY GEOGRAPHY

LATAM 21%
ASIA 9%
USA 6%
EMEA 64%

COSTER
AT A GLANCE

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SUSTAINABILITY REPORT 2021 METHODOLOGICAL NOTE

SUSTAINABILITY HIGHLIGHTS

Sustainability is at the centre of Coster's strategy.

The company is committed to make a positive impact and challenges itself to improve year after year.

The roadmap will lead the company to full carbon neutrality (scope 1+2) by 2026, with 100% zero waste to landfill and energy sourced from renewable sources.

- **100% ISO 9001** manufacturing facilities
- **CDP discloser**
  A- Climate change
  A Supply chain
  B Water footprint

- **EcoVadis Platinum medal**
- **Global Commitment**
  Signatories of Ellen MacArthur Foundation
- **New Certifications**
  Argentina gets ISO 14001
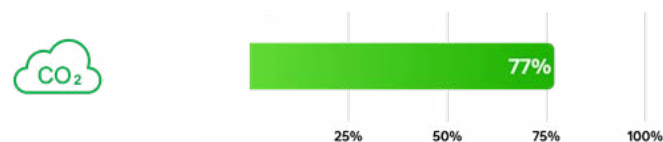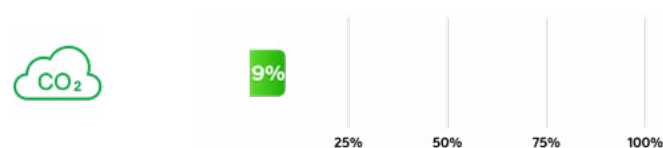 Spain gets Halal Certificate

USAGE OF GREEN ENERGY

EUROPE 100%
WORLDWIDE 98%

SCOPE 1 & 2 MARKET BASED EMISSION REDUCTION vs 2018

CO_2 — 77%

PHOTOVOLTAIC ENERGY vs 2018

ENERGY GENERATED + 42%
SELF CONSUMPTION + 25%

SCOPE 1 EMISSION REDUCTION vs 2018

CO_2 — 9%

WASTE DISPOSAL REDUCTION vs 2018

-58%

SCOPE 2 MARKET BASED EMISSION REDUCTION vs 2018

CO_2 — 88%

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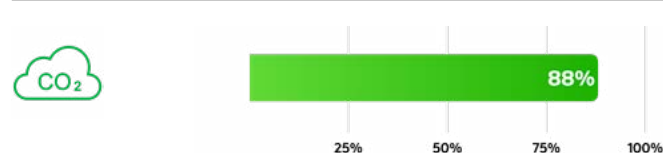
PEOPLE AND COMMUNITY

COSTER *Cares*

Coster Cares is the program launched in 2020 to formalize the **Company's engagement towards employees and local communities**. It is based on multiple pillars, among which **education** and **employees' well-being** are at the centre. In 2021, the **Academy** was launched to give **technical training to students** of professional schools as well as **internal resources**. First **open seminars** were organized targeted at the well-being and the self-development for employees and local communities.

Coster also actively supports Bright Future, an after-school education centre, a community and safe hub in Gazipur, one of the poorest slums in Delhi.

COSTER**ACADEMY**   anno scolastico **2021 2022**

Coster propone, con la formula di un **master specialistico**, un programma di formazione sulle **tecnologie di trasformazione della plastica** e di **produzione** usate oggi nell'industria del **packaging** e nel settore dell'**aerosol**.

SCARICA QUI
IL PROGRAMMA COMPLETO   itt   COSTER

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15.727

hours of training and education

10,87 avg training hours by female | 17,87 avg training hours by male

1.034
hours
environment

347
hours
human rights

874
hours
business ethics

13.472
hours
others

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INNOVATION IS SUSTAINABILITY

Innovation and sustainability are two key growth drivers for Coster and the concepts go hand-in-hand.

The Innovation & Sustainability organization, headquartered in Calceranica al Lago, Trento, has 28 engineers and employees taking care of the R&D activities for the Group. Coster is the preferred partner of many FMCG MNCs for their new product developments and keeps introducing novel products to the market that make a difference to consumers and the environment.

AWARDED INNOVATIONS

2015	2018	2019	2019	2020	2020	2021
ADF award	**ADF award**	**ADF award**	**BAMA award**	**FEA award**	**FEA award**	**FEA award**
9.15 Fair Play Limit	Dior Very Cool Spray	AirNext	Texture Effects technology	L'Oréal Ushuaia	Glove-On	Vortex technology

REPLACE   **REUSE**   **RECYCLE**

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INTRODUCTION

Year 2021 inherited from the previous year and raised to higher degree the value of resilience for individuals and communities. The economy suffered big impacts, thus challenging the entire supply chain to reckon with unprecedented sourcing issues, costs increase, stock, planning and negotiations dynamics. All of that reflected also on final consumers and anticipated the new disruptive events that would have shocked the economies when entering the new year. Nevertheless, the environmental action couldn't be overshadowed since climate changes did not suffer all these crisis but relentlessly continued to present the bill. Coster has moved in this 2021 and entered this new era of "total resilience" hardly working on the three pillars of Sustainability: safeguarding the business and planning the strategy for the company future growth, taking care of people and our communities committing on ambitious social program, addressing environmental impacts reduction taking action on energy management, renewable resources, sustainable developments and products eco-innovations.

Moving forward consistently with the medium-long term company road map, some achievements shall be spotlighted for year 2021:

Signatory of the New Plastic Economy Global Commitment

In 2021 Coster continued to be part of the signatory group thus joining the global movement led by the Ellen MacArthur Foundation in tackling the challenge of turning the circular economy model into reality. Commitments and targeted solutions have been disclosed in the Global Commitment 2021 Progress Report published by the Foundation.

New certifications

The facility Coster Packaging in Argentina joined the other Coster Tecnologie Speciali SpA Italian sites, Costerplast, Costertec and Coster USA to obtain the ISO14001 certification. The 50% of all the manufacturing sites are now certified, reflecting the increasing commitment to protect the environment by means of a systemic, lawful and responsible approach. Furthermore, in 2021, Costertec in Spain obtained Halal certification for its perfumery pumps, thus offering a product that meets all the requirements appreciated by a market in which it is increasingly present.

Renewable energy sourcing increase

At the end of 2021, 98% of the electric energy purchased by the Group comes from renewable sources. This result takes Coster closer to the goals of 100% green power source and carbon neutrality for the purchased electricity emissions, already achieved for the European facilities.

Carbon emissions

Coster scored "A-" from CDP (Carbon Disclosure Project) for Climate Change assessment, reflecting the initiatives and measures which have determined a 77% reduction of Scope 1 + Scope 2 Market Based absolute CO2 emissions from 2018 to 2021.

External recognitions

The Platinum Medal awarded by EcoVadis has ranked Coster in the top 1% of the companies assessed for CSR in the same industry sector.

VORTEX patented spray technology has won the Global Aerosol Awards 2021 for the category Sustainable Development Achievement.

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SUSTAINABILITY REPORT 2021
INTRODUCTION

DIGITAL PRINTING technology candidates as winning the "Concept of the year" category for ADF Innovation Awards 2022 (the 2021 edition of the exhibition has been postponed from 2021 to 2022 for sanitary reasons)
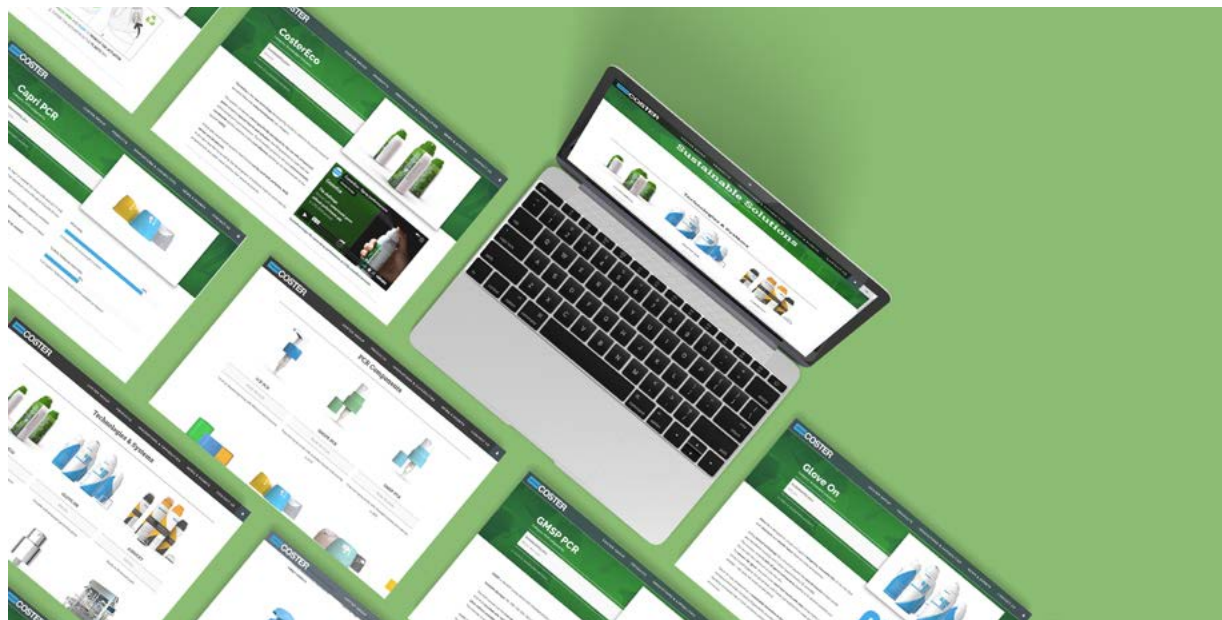
Sustainable product solutions

The portfolio of products moulded with PCR resins grew rich with the spraycap Orbit, the dip-tube for 1" aerosol valves, new overcaps. A black masterbatch NIR (near infrared) detectable was homologated to allow proper detection and sorting of black packaging items through the appropriate polymers streams in the sorting centres, thus reducing the use of carbon black based plastic problematic for recycling otherwise disposed to landfill. The program for year 2022 includes further new PCR developments of special actuators, overcaps and pumps closures thus expanding the catalogue of low environment-impact solutions measured through LCA studies to achieve a 30 to 40% Carbon Footprint reduction towards the standard version.

Among the sustainable developments and innovations, in 2021 other product solutions have been launched. Alba Twist pump is the new screw-on fragrance pump designed for the purpose of reuse through product refilling. A new anti-dispensing safety clip (which makes the dispenser pumps ISTA 6 compliant for e-commerce) made of PP plastic meets the eco-design feature of weight reduction and does not disrupt the PET recycling stream whereas the standard POM version results as an inseparable contaminant material.

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SUSTAINABILITY REPORT 2021
INTRODUCTION

Vortex technology in actuators, PP micromist inserts, green pumps, refillable systems and CosterEco Regulator are new concepts studied or under development to achieve the plastic use and carbon footprint reduction, energy and process efficiency in manufacturing and supply chain, reuse solution, full recyclability, use of safe and green propellants (nitrogen and compressed air).

Coster Cares Program

In 2021 Coster Cares has taken its final form. The program takes care of Coster employees and local communities leveraging on cultural, educational and economic measures. The nine-points roadmap addresses the three macro-areas of:

- Employee well-being, people development & retention

- Diversity, equal opportunities & inclusion

- Partnership with local communities

Within the first area and in Italy, the first activity called "Coster Academy" was launched at the end of the year. This activity consisted in giving technical training to our talented manufacturing operator and students from technical and professional local schools on our products and technologies divided into three modules: introductory related to our products, plastic materials and PLC; basic related on injection moulding, moulds, assembly technology and SMED and advanced related to in depth session on injection moulding, moulds innovative technologies and green plastics.

Into this first area and in Italy too, 3 well-being seminars were launched online for our employees.

The full activity plan will be put in action according to an implementation roadmap by geography, the progress and target achievements will be tracked by the Group Sustainability Committee.

RxPack

Among the main events of 2021 was the transfer of Coster Group's pharmaceutical aerosol and dispensing business to the newly formed company RxPack. The new company combines Coster's products and complementary offerings from Lindal Group to create a distinctive portfolio of spray packaging solutions for pharmaceutical applications. It is thus ideally positioned from the start to seize the growth opportunities in this sector. RxPack is located in Oggiono, north of Milan in Italy, and started operations in January 2022. The company is 50% owned by Coster and operates completely independent from Coster, with a stand-alone organization and separate facilities.

New Coster India at Neemrana[01]

In 2021 Coster finalise the process of relocating the production plant from Bhiwadi to Neemrana, in India. The new location enables the production of the latest sustainable and technological solutions, in line with the labour practices, environmental, industrial and social standards and stringent requirements set by Coster and the applicable GMPs for cosmetic primary packaging production.

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COSTER SUSTAINABILITY PLAN

The KPIs and targets disclosed in this section are the ones that Coster considers strategical and in line with the current global necessities, international programs and market requirements. These KPIs are strictly connected with the Materiality Assessment reported later in the document and will be picked up in more details in the specific sections of the Report. In addition to the following KPIs, several other indicators and targets will be reported in the document in compliance with the GRI Standards requirements.

TARGET	SDG	DESCRIPTION	TARGET (BEFORE 2026)	RESULT 2018	RESULT 2019	RESULT 2020	RESULT 2021
Energy 1	7 AFFORDABLE AND CLEAN ENERGY	Injection moulding electric consumption normalised on weight of transformed plastic [kWh/kg plastic]	-15% (2,22) vs Base year 2018	2,61	2,35	2,33	2,29
Energy 2	7 AFFORDABLE AND CLEAN ENERGY	Assembly electric consumption normalised on assembled finished goods [kWh/1000 pcs]	-10% (4,5) vs Base year 2018	5,00	4,70	4,63	4,55
Energy 3	7 AFFORDABLE AND CLEAN ENERGY	[%] Electricity from renewable sources	100	60	67	83	98
Energy 4	7 AFFORDABLE AND CLEAN ENERGY	[%] Gas from renewable sources	100	0	0	0	0
Energy 5	7 AFFORDABLE AND CLEAN ENERGY	Total amount of renewable energy generation about total	5%	0,61%	0,63%	0,58%	0,74%
Carbon emission 1	13 CLIMATE ACTION	Absolute Scope 1 + 2 (Market based) - CDP [metric tons CO2e]	-70% (2.340,82) vs Base year 2018	7.805	6.917	3.492	1.768
Carbon emission 2	13 CLIMATE ACTION	Intensity (normalized) Scope 2 (Location based) - CDP [metric tons CO2e/mln of product units sold]	-20% (3,48) vs Base year 2018	4,25	3,73	3,91	4,11

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SUSTAINABILITY REPORT 2021
COSTER SUSTAINABILITY PLAN

TARGET	SDG	DESCRIPTION	TARGET (BEFORE 2026)	RESULT 2018	RESULT 2019	RESULT 2020	RESULT 2021
Waste		Zero waste to landfill	0	12,5%	4,4%	8,4%	5,2%
H&S 1		Injury Severity Index	< 0,05	0,07	0,01	0,04	0,18
H&S 2		Injury Frequency Index	< 0,10	0,33	0,15	0,43	0,66
Procurement 1		[%] of cardboard boxes from recycled material or FSC certified fibers	>90%	60%	58%	81%	92%
Procurement 2		Paper consumption reduction in offices [mln copies]	-50% (0,95)	1,9	1,85	1,43	1,50
Procurement 3		[%] of recycled paper used in the offices	100%	67%	92%	98%	99%
Product		Implement LCA from cradle to grave of the products for ecodesign	Extend LCA to whole range of products	Project startup	Issue of LCA for V21,88 and CAPRI actuators	Issue of LCA for 1" LKE, HYDRA and ORBIT	Issue of LCA for SCP pumps
Compliance		Increase ISO Certification coverage for integrated management systems	Reach >60% mfg sites with ISO 14001 and ISO 22716	See the paragraph in the report	Certification ISO26000 +ISO20400 for entire group ISO22716 in 44% mfg sites ISO14001 in 44% mfg sites	ISO14001 in 47% mfg sites	ISO 14001 in 50% mfg sites

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SUSTAINABILITY REPORT 2021
COSTER SUSTAINABILITY PLAN

TARGET	SDG	DESCRIPTION	TARGET (BEFORE 2026)	RESULT 2018	RESULT 2019	RESULT 2020	RESULT 2021
EcoVadis		EcoVadis CSR Rating – Overall score	≥ 75	68	74	74	Pending
CDP		Carbon Disclosure Project – Climate Change scoring level	Leadership	Aware-ness	Leadership	Management	Leader-ship
Governance		Number of issues reported to Whistleblowing Supervisory Boar	0	/	0	0	0
SBTi Targets		Number of targets submitted to SBTi	2	/	/	/	Commit-ted to SBTi

COSTER

WHO IS
COSTER

NUMBER OF EMPLOYEES

980

SITES

18

SALES

218.102 (k€)

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SUSTAINABILITY REPORT 2021
WHO IS COSTER

WHO IS COSTER

Who we are

Coster Group[03] is a leading multinational provider of spray packaging solutions and filling equipment. The company supports all segments of the market with a complete range of standard aerosol valves and actuators, spray-caps, spray pumps and dispensers, with a global production and distribution network.
In addition, Coster makes available significant design resources to its customers, many of whom are multinational firms operating in diverse consumer markets with a range of well-known brands, Coster is the world's only supplier of both aerosol packaging components and filling machinery.

Coster was founded in 1963 in Milan and in 1966 moved its production in Calceranica al Lago (TN), in the North of Italy[04].

It currently employs almost 1000 people in its activities and, with its world-wide commercial and logistic network, counts around 1000 customers. Its main clients are multinational companies operating in the personal care and beauty industries, but also including household.

The production of valves still represents the main source of revenue, followed by dispensers and spray pumps. Half of Coster's (Group) production is dedicated to valves and the main geographical market areas are Europe, Latin America and South East Asia[05].

The main market sectors in which Coster operates are Personal Care and Beauty Care, which make up 70 % of revenue, followed by Household, Technical equipment and Food & Beverage.

Today Coster is present in 11 countries and 4 continents, counts 16 manufacturing sites[06] equipped with more than 250 injection moulding machines and more than 200 assembly machines.

The company has two different headquarters in Italy: the legal headquarters is based in Calceranica al Lago, Trento, viale Trento 2 - 38050, the commercial and financial one is located in Pero, Milan, Via Leonardo da Vinci 2/4 – 20016.

A significant portion of the Group's global production capacity is located near Trento, in Northern Italy, with its plants Coster 1, Coster 2, Coster 3, Coster 4, Coster Robotics and Central Warehouse. The company also includes the Machinery Division in Pero (Milan) and directly controls the subsidiary companies Costerplast and Tecnocoster.

Outside of Italy, Coster has manufacturing facilities in Holland, Spain, France, the United Kingdom, Argentina, India, Malaysia and the U.S.A.; French and German customers are directly served by sales and distribution centres in Paris and Karlsruhe[07]. Sales offices are also based in Brasil and Singapore ["ORGANIZATION CHART" - p. 87]

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04 GRI 102-2, 102-3
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06 GRI 102-7, 102-46
07 GRI 102-4

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VISION, MISSION AND VALUES[08]

In its intent to be a reliable, excellent and innovative partner for its clients, and to further establish a forward-looking vision, Coster promotes and pursues its vision of 6 key pillars to drive strategies in the long-term period, which for the reporting period are:

- **Financial sustainability** - featuring the very original nature of Coster, this target shall be kept with a long-term entrepreneurial project combined with a rapid and flexible decision-making process guided by the Executive Committee. Being financially sustainable is considered an essential factor for the Top Management, an assurance and a responsibility towards the employees who need to be aware that the company is strong and stable.

- **Innovation** – a central topic for Coster. The Group Innovation & Sustainability function works since 2020 merging technical innovation and sustainability, convinced that our technical know-how must be combined with the new generations' talent. The Discovery & Innovation team, within this organization, has the mission to project ahead, change our traditional ways to think and create products responding to future needs, brake conventions. The I&S whole team is committed to pursue eco-design and design for recycling programs, develop strong synergies with the other Coster divisions, suppliers and customer thus also contributing to our clients' strategies success.

- **International Footprint** - A global vision with a worldwide network and regional centers of excellence, further strengthened in 2021 with the first designation of our Region Managing Directors. Coster's presence in the 4 Continents and in the places where the major customers operate remains of strategic importance to stay connected to the needs and wants of customers and consumers alike.

- **Industrial and technical excellency** – a virtue recognised by clients, suppliers and competitors alike and one which results from an industrial mindset based on the Industry 4.0 model. Coster aims at pursuing this specific target by continuously investing in IOT computer driven production, new and high-tech sites, integrated IT solutions and moulding & assembly technology models, automated internal logistics, in-house assembly solutions, machinery and tools.

- **Sustainability and CSR** – an essential pillar to challenge the present and guarantee the future. Coster pursues transparent accountability, promotes and watches over the Group Ethical Code and Governance Model, provides whistleblowing tools and supervision by an independent body and recognised audit protocols. Social policies and initiatives addressed to people inside and outside the company, sustainable procurement and supply chain measures, global emissions reduction, switch to renewable energy, proper waste management to reduce landfill, product eco-design with focus on sustainable materials and recyclability are central to Coster strategies.

- **People** – the heart of what we do as a business. Unleashing the potential and harnessing the talent of the workforce remains a key driver for the future. The sense of belonging that builds our strong identity must be fueled by genuine attention to employee wellbeing, labor practices, career growth and people development, gender balance, diversity & inclusion. We want to ensure our families, people in our communities including local suppliers and indirect partners are all included. Wherever we operate, we must promote education, schooling and social inclusion, targeting the under privileged and supporting company and personal engagement to act in social voluntary.

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MATERIALITY & STAKEHOLDER ENGAGEMENT

Stakeholders engagement

The materiality analysis is a powerful tool to align company vision and strategy with the topics dear to stakeholders. It also helps Coster identifying its major targets taking into account the potential risks and opportunities the Group may have had.

The matrix resulting from this analysis is based on top Management functional views, in close relation with identified stakeholders, and on feedback received from:

- a panel of employees (different ages, gender and job title) representing all our sites;

- customers and suppliers identified through internal evaluation of revenue/ spend figures in terms of business and specific expression of interest into CSR issues,

These internal and external stakeholders have been engaged through a specific personalized survey.

In Coster's sustainability report, the materiality analysis is made up of 20 specific aspects connected to sustainability and submitted in the form of a Materiality Questionnaire to the following Management functions[09]:

- President

- Chief Executive Officer

- Chief Financial Officer

- Human Resources Group Director

- Group Industrial Director

- I&S Group Director (Technical, Quality and Sustainability)

- Group Commercial Director

- Group IT Director

- Group Supply Chain & Procurement Director

- Site Managers Coster 1, 2, 3 and 4

The most relevant stakeholders concerned in the analysis, confirmed from the previous report, are listed in the following table which also outlines the daily relationship between the corporate functions and each of the stakeholders[10].

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SUSTAINABILITY REPORT 2021

MATERIALITY & STAKEHOLDER ENGAGEMENT

STAKEHOLDERS	CORPORATE FUNCTION
Clients	• Sales • Marketing • Supply chain, agents, service network • Product Development and Manufacture • Quality **Direct involvement through a specific survey**
Suppliers and outsourcers	• Purchasing & Supply Chain • Quality **Direct involvement through a specific survey**
Employees	• Human Resources • Environment, Health and Safety • Regional dedicated function **Direct involvement through a specific survey**
Trade unions and employee representatives	• Industrial relations **Also included in the panel of surveyed employees**
Institutions/ Community	• Governance • Institutional relations • Environment, Health and Safety **Also included in the panel of surveyed employees**
Ownership and Shareholders	• Governance • Investor Relations • Corporate affairs • Sustainability, Planning and Reporting **Also partially included in the Management survey**

In this approach, topics are considered material if they reflect Coster's economic, environmental, and social impacts, or actually influence the decisions of stakeholders (in line with the materiality reporting principle in the GRI Standards).

For 2021, the materiality analysis previously issued between 2017 and 2020 has been extended to our employees within a representative panel of each site. This adds to the surveys already submitted to our internal management, clients and suppliers/outsourcers. The results confirm the last years materiality matrix with only a relevant change for what concerns employee's satisfaction which changed from moderately to significantly material.

The surveyed parties had to classify, according to their position, the importance of the analyzed issues from a scale from 1 (not relevant) to 5 (extremely relevant).

The analysis results showed that the stakeholders' interests in the surveyed topics are aligned with Coster's. In particular, that areas of greatest stakeholders' interest are reflected by Coster's awareness and deployment of resources strategic to our crucially material topics development.

This confirmed approach has resulted into the matrix, where Coster's and stakeholders' expectations grow hand in hand in a real virtuous trend.

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SUSTAINABILITY REPORT 2021
MATERIALITY & STAKEHOLDER ENGAGEMENT
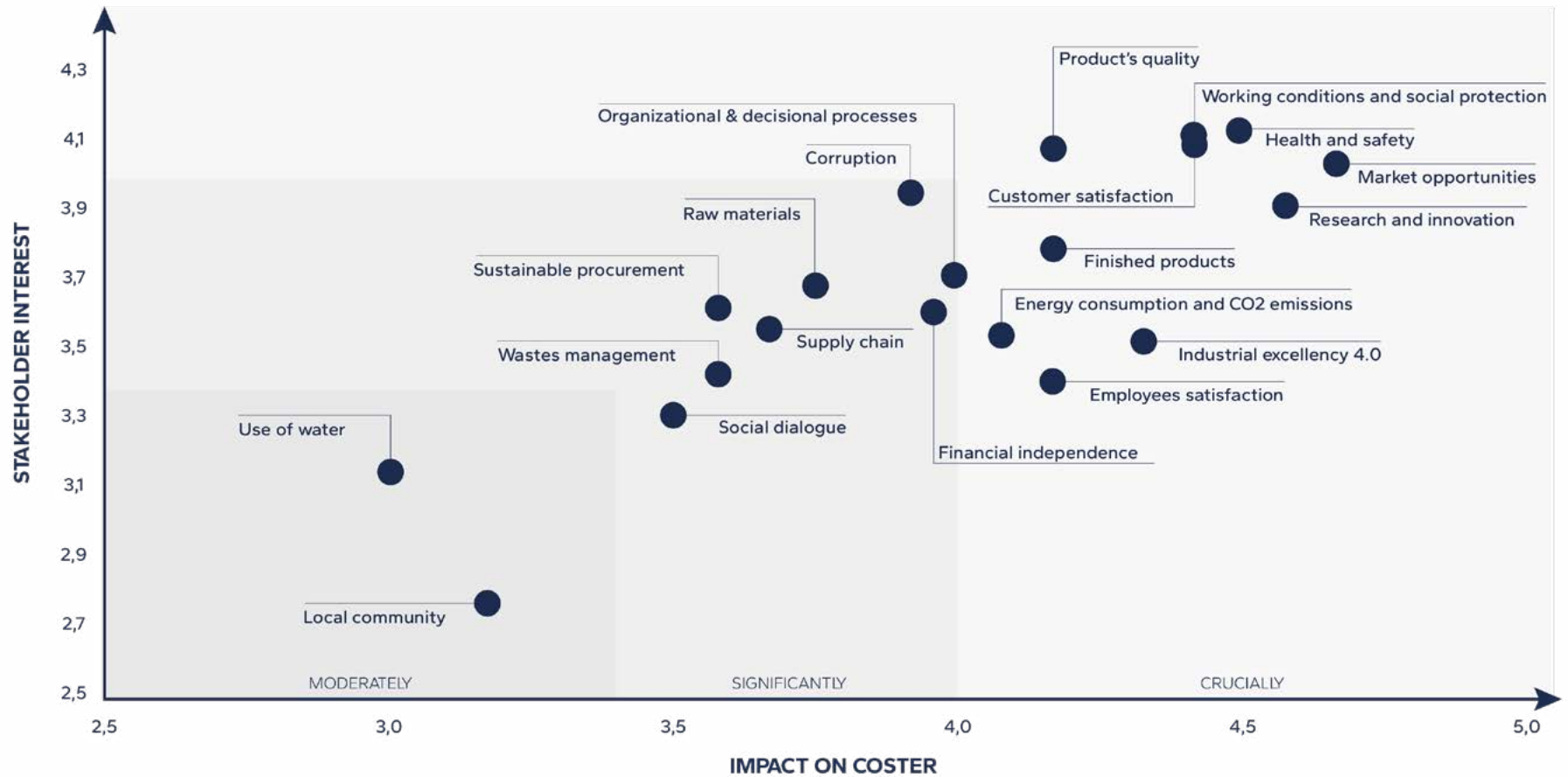
Materiality Matrix

Through the Materiality assessment and the output of the surveyed management and stakeholders, the company was able to prioritize the issues that have the most impact on the economy, society and environment, and that most influence the decision-making of our stakeholders. The analysis of these issues and their relevance resulted into the Materiality Matrix[11].

These topics cover all the relevant areas present in the GRI standard and where

subdivided into three categories: moderately material, significantly material and crucially material,

Coster has identified as:

• **moderately material** the issues that scored below 3,4 for either Stakeholders or Coster.

• **significantly material** the ones between 3,4 and 4,0 for both Stakeholders and Coster.

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MATERIALITY & STAKEHOLDER ENGAGEMENT

- **crucially material** the topics rating equal or above 4,0 for either Stakeholders or Coster.

Crucially material:

- **Market opportunities**: opportunities to purchase new market shares through innovative products and choices (international footprint, increase territorial coverage, development of products portfolio). Diversification in new technologies and markets[12].

- **Research and innovation**: develop new products, customise products compatible with industrial standardisation; define new productive processes, develop new packaging solutions.

- **Health and Safety**: adopt all necessary measures to avoid work-related incidents and disease, manage risks connected to formaldehyde and any other risk factor, investments on H&S.

- **Work conditions and social protection**: ensure that working conditions comply with national laws and norms and are coherent with international norms on labour, give adequate work conditions and environments, protection of unprivileged categories and minorities, possibility to combine work with family duties.

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SUSTAINABILITY REPORT 2021
MATERIALITY & STAKEHOLDER ENGAGEMENT

- **Client satisfaction**: increase the commercial dynamism, presence and assistance before and after sale. Anticipate the customer's needs and market trends. Increase the quality of service and product. Diversification to expand offering, improve service and lead-times.

- **Industrial Excellency**: advantages resulting from the production of filling lines. Hi-tech technologies and plants, implementation of the new IT infrastructures and networks, creation of Group's centers of excellency.

- **Product quality**: respect clients' quality requirements, implement robust and integrated quality management systems, increase perfumery product's quality standards, guarantee customer and end-user safety.

- **Finished product**: promote R&I on design, eco-design for materials reduction or eradication, fit product into circular economy models, in particular for plastics. Design full recyclable systems and alternative solutions beneficial to the environment. Develop LCA on products.

- **Employee satisfaction**: adopt welfare initiatives, work-life balance, professional growth and job rotation policies; promote training and employee involvement.

- **Energy consumption and CO2 emissions**: implement initiatives aimed at increasing energy and transportation efficiency. Innovation and investments on technologies and products which reduce the energy consumption. Invest on energy from renewable sources.

- **Corruption**: identify the risks of corruption, implement and maintain anti-bribery and anti-extortion policies and practices. Raise awareness on corruption and how to prevent it and adopting Whistleblowing measures among the employees, representatives, contractors and suppliers. Implement a Governance Model. The topic has become crucially material after the performance of the analysis in 2018.

- **Structures and decision-making processes**: implement processes, systems, structures or other mechanisms which enable the implementation of social responsibility principles and practices. Boost fast decision-making process, even for big capital investments.

- **Financial Independence**: perform scenario assessment and adopt corporate strategies, long-term planning and decision-making processes to avoid debt.

Significantly Material:

- **Raw materials**: reduce the impact of POM resin (formaldehyde emission), reduce materials' consumption, research eco-friendly materials like bio-based, OBP and PCR plastics, introduce recycled materials and reuse model wherever possible like in offices and secondary packaging.

- **Supply Chain**: agility and resilience of manufacturing models. Select suppliers through sustainability criteria. Create values along the supply chain. Favour local suppliers. Adopt sustainable logistic solutions and logistic footprint network. Global connection of the Group with the new ERP SAP S/4 HANA.

- **Sustainable purchases**: bring positive economic and social impact in local context. Integrate sustainability requests along the purchasing process. Support social inclusion, cultural and economic developments in the territory of operations. Adopt policies and Solidarity Sourcing initiatives.

- **Waste Management**: adopt waste disposal strategies to increase waste recycling, reduction and management, Pursue ISO14001 certification at Group level.

Moderately Material:

- **Social Dialogue**: recognize the importance of social dialogue, also at the international level, and the structures of collective bargaining. Do not obstruct or discriminate employees who wish to adhere to these organization to promote their interests and to bargain collectively.

- **Local communities**: promote initiatives benefiting local communities. Consult groups representing communities to determine priorities for social investment and activities for community development, take part in local association with the aim of contributing to public good. Encourage and support people in taking part into volunteer work for the community. Even though this topic remains moderately material, it has grown in consideration, especially in light of the specific request from one of the stakeholders that asked for a greater engagement in the development of the community and partnership; Coster is therefore taking actions accordingly.

- **Use of water**: adopt initiatives to reduce water consumption (in particular for cooling systems, air conditioning) and to facilitate its recycling.

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COMPANY STRUCTURE & GOVERNANCE

Coster is registered as a company with 2 main shareholders and Bernard Msellati as the Group CEO and President[13]. The Executive Committee (ComEx) is composed by the CEO and 4 directors, with CFO and HR directors with support and advisory function. This structure makes up the Coster's Governance. The 3 regional managing directors, representing LATAM, APAC and USA, add as part of the extended ComEx body named Strategic Committee.

The ComEx structure and composition is approved within the board of directors, under the submission of the CEO and President for the nomination of the members in relation to the responsibilities needed in the company governance[16]

Coster's ComEx meets on a monthly basis (minimum 8 times a year[17]) and discusses on various aspects, decisions and strategies. Group Management meet-
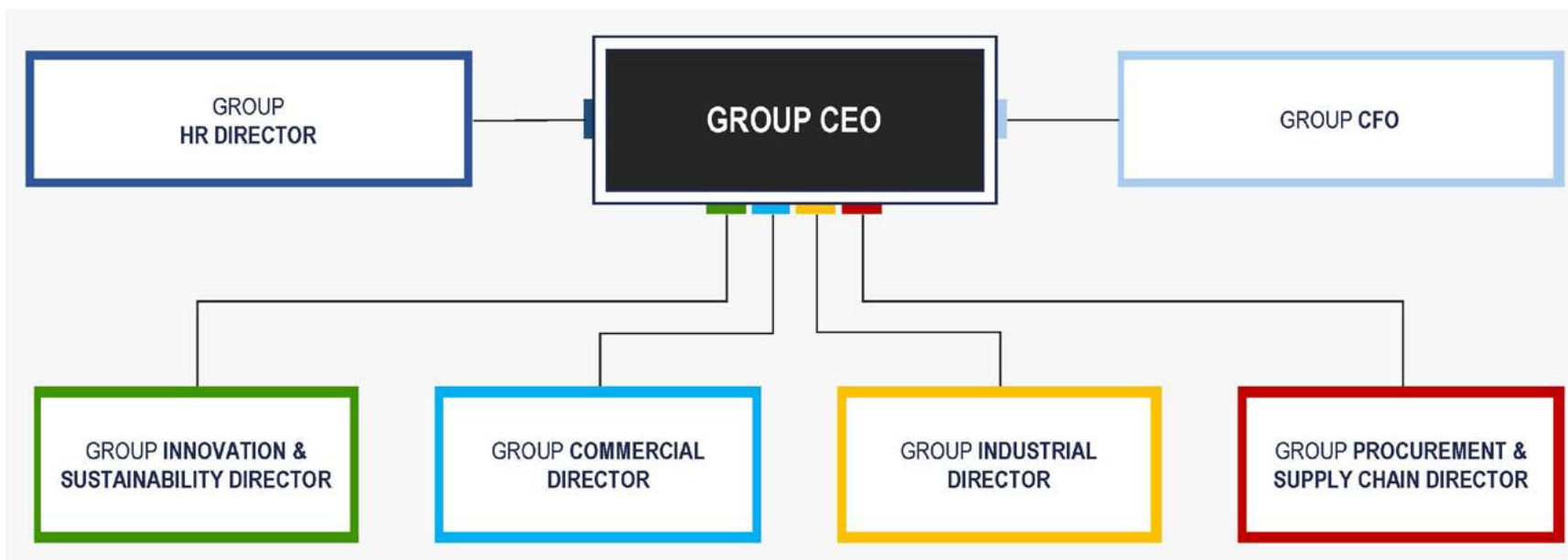
14

The ComEx is responsible for the management and strategic direction of the group. The general authority to represent the company is vested in the ComEx and the Chief Executive Officer and President[15].

ings are periodically decided and have the purpose to communicate, align and assess strategies through companies' managers[18]. The deployment to the functions at Corporate level occurs in the annual General meeting. During 2021, there were 1 Management meetings, 2 General meeting and 9 ComEx meetings.

13 GRI 102-5, 102-23
14 GRI-102-22
15 GRI 102-8
16 GRI-102-24
17 GRI-102-31
18 GRI 102-26

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SUSTAINABILITY REPORT 2021
COMPANY STRUCTURE & GOVERNANCE

The responsibilities of managing any issue or decision connected to the sustainability and its three different economic, environmental and social dimensions are in charge to the Innovation& Sustainability Group Director, responding to the CEO in the organisational structure [19].

The Governance Model

The Governance Model, adopted and implemented in Coster Tecnologie Speciali SpA in compliance with the Italian law D.Lgs,231/2001, disciplines the administrative responsibility of the legal persons. The Model, thoroughly promoted within the Organisation by means of specific training, has been also disclosed by the parent company to all subsidiaries in the form of guidelines as representing the standard of behaviours at Coster Corporate level [20]. The Model has the purpose of preventing risk of committing crimes by deploying correct behaviours, a whistleblowing system, an independent surveillance body reporting to the board of directors, periodical auditing and a system of disciplinary sanctions. It consists of a set of rules of conduct covering all activities which have been mapped and assessed to be exposed to practicable violation risks in the framework of the crimes laid down in the 231 law. During 2021 the board of directors nominated the Supervisory Body for the new three-years course, with the only replacement of the company internal member. In 2021 the Supervisory Body hold 4 meetings and continued work in accordance with its tasks.

Women-owned enterprise

Coster is proud of its ownership and leadership exercised by our vice-President in decision making processes, accountability, management and control. In year 2021 Coster was still registered with WEConnect International. By joining this Group, Coster has become part of the global network that connects women-owned businesses to qualified buyers around the world.
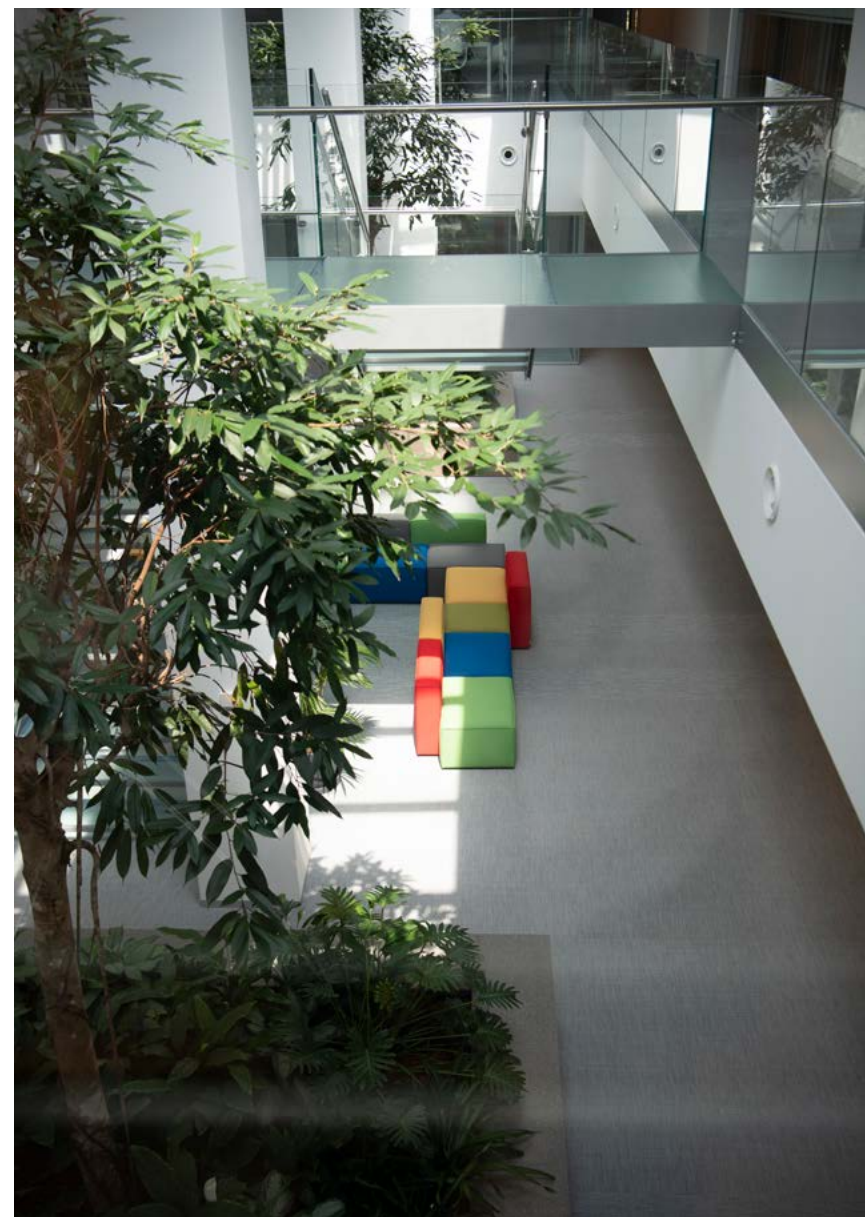
19 GRI 102-19, 102-18, 102-20
20 GRI 102-18

▬COSTER

ECONOMIC AND FINANCIAL PERFORMANCE

The solid financial state and clearly defined ownership are the drivers to the business plan continuity and company strategy plans:

•   Capex approved for 2022 representing the 8,8% of the annual total turnover

Coster counts on the following main economic and financial levers:

•   a solid shareholding structure,

•   regular Capex and cashflow review process,

•   careful analysis of warehouse and stock,

•   continuous checks of customer's credit-worthiness and outstanding payments,

•   financial accounts reviews made by external accredited company as well as for fiscal and legal assistance,

•   a comprehensive scheme of insurance policies well covering the company responsibility including both civil and penal liability for the product and people,

•   The Governance Model 231 to oversee the fair business practices and disciplines the conduct of trades and financial processes according to all applicable law requirements.

The **Economic and Financial performances** in 2021, compared to the previous year, mark a new all-time sales record despite the persistent negative effects of the Covid-19 at global level with the supply chain and logistic issues and costs increase mainly for raw materials, energy, transports and packaging. The results reward the measures put in place at Corporate level to ensure the business, like focusing on offer diversification, carefully monitoring the economic figures for fast strategy adjustments, growing up the international footprint, improving service to customers, re-organising the product portfolio, processes and working structures aimed at top effectiveness performance, targeted investments on innovation, equipment and staff growth.

The total capitalization is 12.012 €K and the debt with the bank and with other financial institutions is 16.127 €K.

	2018 [€/1000]	2019 [€/1000]	2020 [€/1000]	2021 [€/1000]	DELTA [€/1000]
Total sales	193.054	201.527	195.975	218.102	22.127 (11%)
NET INCOME (EAT)	10.357	11.764	10.359	3.536	-6.823 (-66%)

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SUSTAINABILITY REPORT 2021
ECONOMIC AND FINANCIAL PERFORMANCE

PER GEOGRAPHICAL AREA (2021)

Italy 13,5%
Americas 23,1%
Rest of World 16,0%
Europe 47,4%

PER PRODUCT (2021)

Pumps 16%
Aerosol 74%
Others 10%
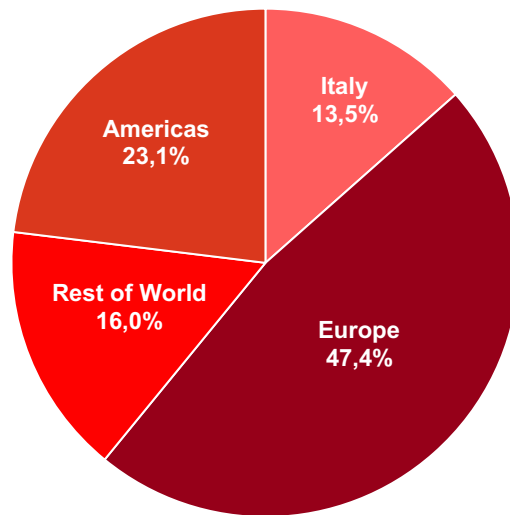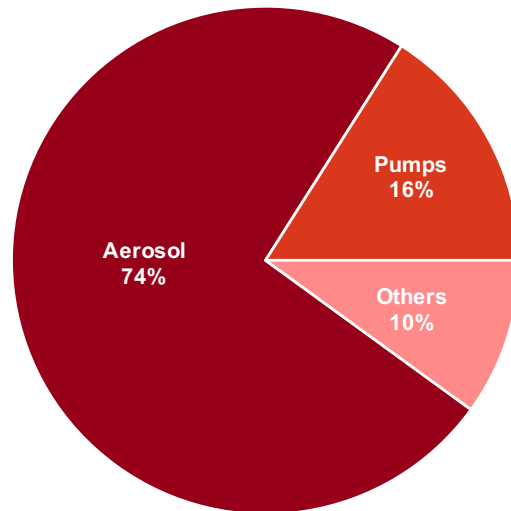
Financial assistance received from government

In 2021, the Group received the following assistances from the Italian Government:

- tax credits for investments 205.954,88 €

- financial assistance from Export Credit Agencies (ACEs); non-repayable fund (temporary framework) 320.0000 €

- other financial benefits received or that can be received by any Public Administration for any operation; sanitization contribution 9.107 €

The shareholding structure doesn't include any govenment representatives[21].

Membership to associations

Relations with the regulatory authorities, institutions and public entities are based on ethical conduct, transparency and are disciplined by the Governance Model 231.

The main institutions which Coster partnered and worked with in 2021 are:

- CONAI, a private non-profit consortium in Italy, established by packaging producers to ensure that they achieve the recycling and recovery target of packaging waste provided for by law. Since Coster Group is a producer of plastic, aluminium and steel packaging, the Group was asked to contribute to three sub-consortiums: COREPLA, CiAl and RICREA.

- Confindustria Metalmeccanica

- Confindustria (Milano e Trento)

- Associazione Industriali Trento

- IBC Ass,Ind,Beni Di Consumo

- Federmeccanica

- Proplast

- Federchimica – Associazione Italiana Aerosol (adhering to FEA – European Aerosol Federation)

- CFA (Comité Français des Aérosols), Aerosol Recycling work group created by the CFA, member of the FEA (European Aerosol Federation).

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SUSTAINABILITY REPORT 2021
ECONOMIC AND FINANCIAL PERFORMANCE

- Assolombarda

- AEDA (Asociación Española del Aerosol)

- Beauty Cluster

- CADEA (Camara Argentina DEI Aerosol)

- CAIP (Camara Argentina de la Industria Plastica)

- BAMA - British Aerosol Manufacturers Association

- BMA – Bhiwadi Manufacturers Association (India)

- IGA – Industrie Gemeinschaft Aerosole EV

- Institut Fur Kunststoffverarbeitung[22]

CODE OF ETHICS

The Coster Code of Ethics represents the core of Coster's internal control system. By joining the principles of the ETI Base Code representing the ground for the SMETA compliance, this document sets out the ethical values connected to the economic, social and environmental fields that are promoted by the Company and that directors, employees and those acting on the Company's behalf are required to support.

Coster encourages its employees to actively engage in the detection and prevention of misconduct or behaviour issues with the Code of Ethics or international, national or local legal requirements. Reporting potential violations allows Coster to investigate the concerns that have been raised and take the appropriate correcting actions.

Code of Ethics & Governance Model
The Coster's Governance Model builds upon the Code of Ethics, which integrates with a set of additional written protocols dictated by the applicable D,Lgs 231/2001 law requirements starting from the crime-risks mapping throughout all the company areas and processes. In close synergy with the Code, the Model raises all addressee's awareness to keep a conduct aligned with Coster ethical values, protecting Coster reputation, ensuring that all company activities comply with laws in place. The proper training and promotion of the Code & Model at all levels within the Organisation, the regular surveillance and reporting made by an independent supervisory body established on purpose, the whistleblowing structure, the sanctioning system, the inclusion of such provisions in the contracts with suppliers, the SMETA IV Pillars and CSR audit programs both internal and at suppliers', are the means used by Coster to fostering its values to all stakeholders and preventing from violations in particular for the inherent crimes. The latter, falling under the definitions of Corporate Crimes as referred in the Italian Civil Code, are:

- crimes against the Public Administration
- private-to-private corruption
- safety norms violations

- money laundering
- misleading declarations
- environmental violations
- tax crimes

Supplier Code of Conduct
In 2020, Coster issued and distributed the first edition of the Supplier Code of Conduct, Consistently with the Group 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 as integral part of its long-term success and 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. The adherence to said principles is a prerequisite to becoming a Supplier and developing a lasting business relationship with Coster.

Conflict of interest
All decisions taken on behalf of Coster must be made in the interest of Coster. Coster's management and employees must avoid any 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[23].

Whistleblowing
Through the Code of Ethics and the Governance Model, Coster has established appropriate and accessible communication channels available to all employees.

The **Compliance Line** is a mean to confidentially report by email about any con-

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23 GRI 102-25

SUSTAINABILITY REPORT 2021
CODE OF ETHICS

cerns and suggestions relating the Code for the purpose of helping Coster to identify and address them in a positive and constructive way. It's a more confidential and anonymous tool to express good faith concerns about presumed non-compliance alternative to the preferred mode represented by direct discussion with one's supervisor. Coster makes the necessary arrangements to prevent any possible breach in data security, sharing with implicated parties, their peers or subordinates and to guarantee a distribution process strictly addressed to individuals at the Headquarters Company trained to manage the issues.

The **Whistleblowing scheme** is a procedure that enables all addresses to confidentially report to the Supervisory Body any concern about the Governance Model. The minimum contents of the communication and the protection of the whistleblower, as required by applicable law, are dealt with in the Governance Mode protocol.

In 2021 there have been no reports to Whistleblowing scheme. The single report addressed to the Compliance line in 2021 has been duly addressed and positively solved between the concerned parties supported by the Compliance Line team [24].

SMETA IV Pillars audits in Coster

Coster, through a qualified external body, maintains its programme of audits of the SMETA IV pillars The audits cover the labour practices and human rights, H&S, Environment and fair business practices. Despite this, during 2021 and due to COVID, no SMETA IV pillar audits have been carried out and therefore the coverage of SMETA IV audits in the group remains unchanged. This means 60% of the consolidated group sales and 82% of total workforce in year 2020.

Fair business and anti-corruption

Fair business and anti-corruption, as well as the respect of a competitive market, anti-trust and pro-consumer laws in force in all countries of operation, are crucial points of the Code of Ethics and Governance Model which have been communicated and received training on to all Coster's employees and suppliers, including the governance body members. This reflects Coster's commitment to comply with all applicable anti-corruption laws, in particular:

- OECD Convention on Combating Bribery of Foreign Public Officials

- OCSE Guidelines and Foreign Corrupt Practices Act

The inherent risks specifically related to corruption[25], therefore to actions made in the interest or advantage of the Company, previously assessed through all the facilities and offices of the parent company Coster Tecnologie Speciali S,p,A, (representing the 44% of the total number of sites of the whole Coster Group) are:

- recognition of rewards, bonus, free services,

- disposal of operating assets at unfair price,

- career facilitation to public-sector workers,

- recruiting employees close to public sector,

- passive or brokers invoicing to gain benefit from public offices,

- incitement to corruption of public officers,

- creation of slush funds for procurement overbilling or inexistent purchase,

- customs corruption,

- any corruption form of inspection authorities,

- any corruption form private-to-private with customers, consultants, accountants, suppliers, subsidiaries or controlled companies aimed to: altering the balance sheet, managing fictitious-cash-false invoicing/market unfair payments/fictitious intercompany transactions, offering work relationship or career advantage, disregarding or not checking contracts terms, winning tenders or business, debts collection, gaining advantages from purchasing, altering the corporate merging and spin-offs

- any tax fraud form envisaged by the law

The mapped areas are: controlling, treasury, finance and administration, sales, procurement, operations, inspections and authorizations, government.

The Governance Model finally provides the provisions for correct behaviours for sales (including brokers), purchase, HR, Finance and accounting/administration, quality and sustainability areas.

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24 GRI 102-17; 102-33; 102-34
25 GRI 205-1

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SUSTAINABILITY REPORT 2021
CODE OF ETHICS

Anti-trust

Every one of Coster's management members and employees are required to not engage in business practices (i,e, price cartels) which may represent an anti-trust violation[26]. All information about Coster's competitors is obtained legitimately and will only be used for legitimate purposes in compliance with all laws and regulations. To this regard, in 2021 Coster has not had any legal actions regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation[27].

Anti-laundering

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, anti-laundering legislation shall be strictly adhered. Before establishing any business relationship with a third party, Coster shall check available information (including financial information) on its proposed business partners and suppliers to ensure that they are reputable and involved in a legitimate business. Furthermore, Coster's grants transparent and accurate records of business and commercial dealings.

Insider trading

All personnel in Coster are strictly required to comply with the insider trading legislation in all countries where it operates. In particular, Coster doesn't accept any use of information not in the public domain and obtained as a result of individual's position within Coster in order to obtain a personal advantage or to favour other parties.

In addition, any risk of fraud, concussion, induction crime, cyber-crime, racketeering, crimes against industry and commerce, corporate crimes, fencing, induction of misleading declarations, market abuse, fiscal frauds, crimes against public faith, copyright, as well as of crimes in the labour, individual, environment, Safety, terrorism are duly mapped through the organisation, assigned with conduct rules and monitored by independent body.

26 GRI 205-2
27 GRI 206-1

31
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SUSTAINABILITY REPORT 2021
CODE OF ETHICS

Freedom of Association and Collective Bargaining

Coster guarantees the right of its 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). Employees can be represented by trade unions or other representatives established in accordance with local applicable legislation. When engaging in negotiations with such representatives, Coster seeks a constructive approach and relationship and no employee is intimidated or harassed in the exercise of her/his rights to join or refuse from joining any organisation[28].

The figures achieved in 2021 do not show significant differences in comparison to previous years results in terms of percentages of employees covered by collective bargaining agreements[29].

Forced and Child Labour

Coster does not employ any form of forced, mandatory or child labour, whereby 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).

Work is conducted on a voluntary basis within Coster. Employees working within Coster do it freely and on agreed and documented legal terms of employment. Employment is voluntarily and freely chosen, and proceeds by previous verifying the legal employment eligibility of all persons to work and not use any form of prison, indentured, forced, involuntary, bonded or slave labour. Involuntary labour includes the transportation, harbouring, recruitment, transfer,

EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENT

95%
565 employees
EMEA

100%
35 employees
NAFTA

100%
205 employees
APAC

100%
143 employees
LATAM

28 GRI 407-1
29 GRI 102-41

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SUSTAINABILITY REPORT 2021
CODE OF ETHICS
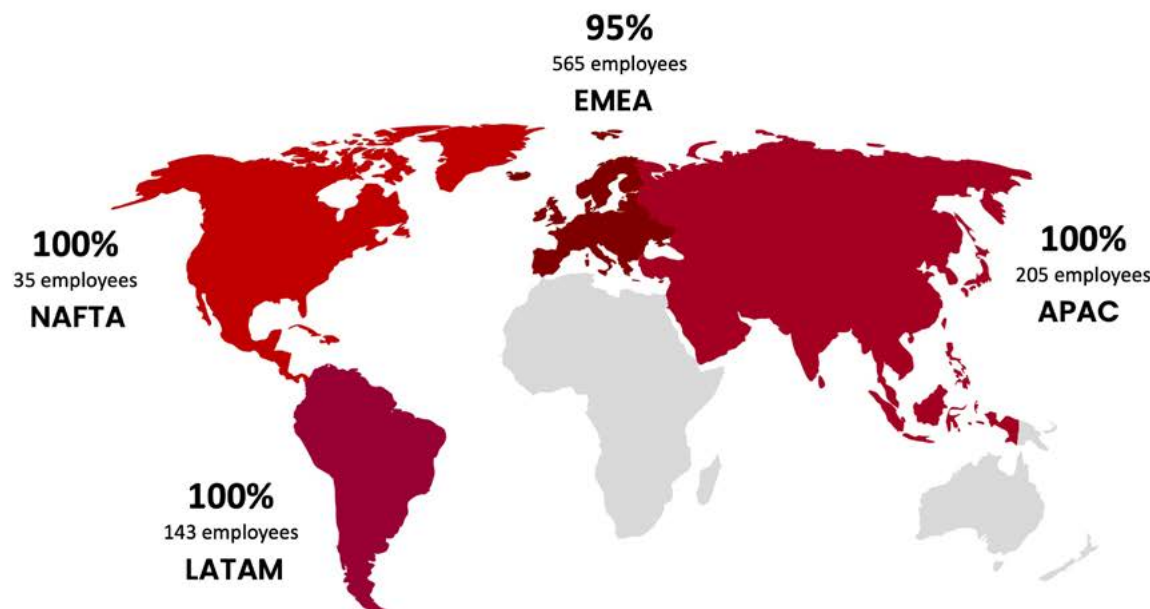
receipt or employment of persons by means of threat, force, mental or physical coercion, abduction, fraud or payments to any person having control over another person for the purpose of exploitation. Neither Coster nor recruitment agency contracted by Coster require employees to lodge deposits or identity papers, or to pay recruitment fees. All employment contracts are in a language understood by the worker.

Coster is also committed to not establishing or maintaining working relationships with suppliers that employ child labour or forced labour as per the above definitions[30]. Coster watches over the compliance to said prescriptions by using the means of audits SMETA, audit to the Governance Model, CSR audit to suppliers, whistleblowing procedure and compliance line.

Land rights and Indigenous people

Coster adopts a zero-tolerance approach to land grabs and guarantees that 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 in regard to the property or land of the individual, indigenous people and local communities.

Due diligence is undertaken to uphold individual or indigenous people's established rights to property and land, where applicable. Whenever deemed necessary, e,g, in case of relocations or purchase of land for buildings enlargement, qualified external consultants are commissioned to check the compliance with laws and regulations of the adopted procedures and action plans. In 2021 and in its existence, Coster has never received any form of complaint concerning the rights of indigenous people[31].
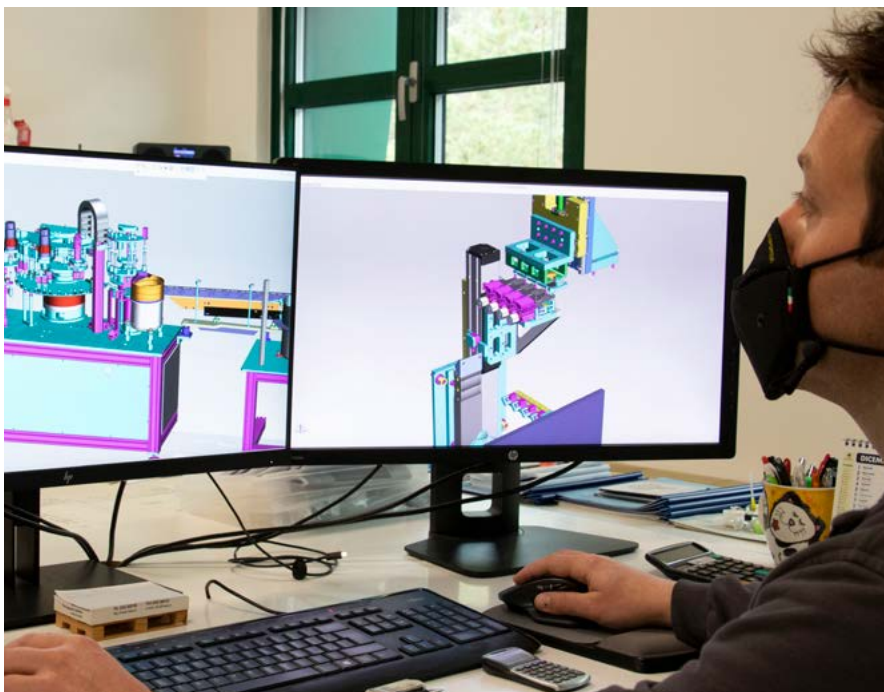
30 GRI 408-1, 409-1
31 GRI 411-1

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COMMITMENT TO SUSTAINABILITY

As a global leader manufacturer in the Aerosol and Dispensing Packaging business, we at Coster consider Sustainability with the highest importance and our responsibility towards all stakeholders both internal and outside our factories.

The Sustainability and Social Responsibility Group structure translates the Governance strategies and policies into assessments, material action plans, objectives, metrics, monitoring and accountable reporting. The Group Sustainability model certified against the requirements of the ISO 26000-20400 guidelines has been maintained also in 2021, thus reflecting the assumption of responsibility towards all the 7 Core Subjects mentioned at Clause 6 of the Guideline and the implementation of all mechanisms to adequately respond to their requirements.

The foundations of our beliefs disclosed in the Coster Code of Ethics and Governance Model are the **lawful and fair business**, the **respect of human rights**, the commitment to continuously **enhance the working conditions** and **the protection of the environment**. These values are communicated throughout all sites and among stakeholders with different informative means, with the intent of raising awareness, stimulating proactive collaboration, sharing and developing ideas in an open and transparent working environment at all levels of the organization, supply chain and interested parties[32].

Furthermore, Coster fully believes in the importance of international initiatives, such as those endorsed by the United Nations. In particular, Coster believes that the 1992 Rio de Janeiro Conference is a key initiative that must be supported where, principle No. 16 states that:

"In order to protect the environment, the precautionary approach shall be widely applied by States according to their capabilities. Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation."

Hence, Coster applies the precautionary principle in designing its products, in managing its manufacturing processes and in development the sustainable

procurement and logistic strategies. In 2020 the Innovation and Sustainability Directorate and the Group-wide Sustainability Champions team and functions were established with the aim of implementing the measures and a monitoring process through all the company areas, continuously working with its' stakeholders to prevent hazardous accidents, negative environmental impacts, etc...[33].

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32 GRI 102-16
33 GRI 102-11

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External reporting

Coster accountability consists in the annual disclosing commitments and performances in public and transparent way with the means of:

• Sustainability Report for non-financial information

• CDP Climate Change for GHG management (including Scopes 1, 2 and 3)

• CDP Water Security

• EcoVadis CSR assessment

• Annual reporting to the New Plastic Economy Global Commitment

• Committed to SBTi

Carbon Disclosure Project

In year 2021, Coster has been awarded with the following score reports:

• Climate Change: CDP Score A-, for the general questionnaire and in the light manufacturing activity group. This score places Coster in the Leadership band for those organisations taking coordinated actions in climate issues, against average performances of B for the same activity group, B for Europe and B- for Global Average score reports.

• Water security: CDP Score B, for the general questionnaire and in the light manufacturing activity group. This score places Coster in the Management band for those organisations taking coordinated actions in climate issues, against average performances of B for the same activity group, Europe and Global Average score reports. The score reflects that use of water resulted moderately material in Coster, whereas mainly civil use is made and no significant opportunities for improvement are available.

CDP – Roadmap 2022
Submit targets to SBTi approval in line with 1,5 ºC strategy.

COSTER

SUSTAINABILITY REPORT 2021
COMMITMENT TO SUSTAINABILITY

EcoVadis

As prestigious and qualified recognition of the efforts made by Coster and big pledge towards sustainable operations, in April 2020 Coster was awarded for the first time with the **Platinum Medal** based on **EcoVadis CSR rating**. This is the recognition granted to the companies that **rank among the top 1 percent of all companies as-** sessed by EcoVadis, even more so alongside the top 1% ranking in the same industry segment. The overall score for 2020 of 74%, figuring out an **advanced** CSR performance, reflects the constant year by year scores improvement of the companies. The breakdown by CSR theme sees Coster in the top 1% of suppliers assessed by EcoVadis for both Environment and Sustainable Procurement, in the top 3% of Ethics and in the top 4% for Labour and Human Rights rankings (taking the same industry reference).
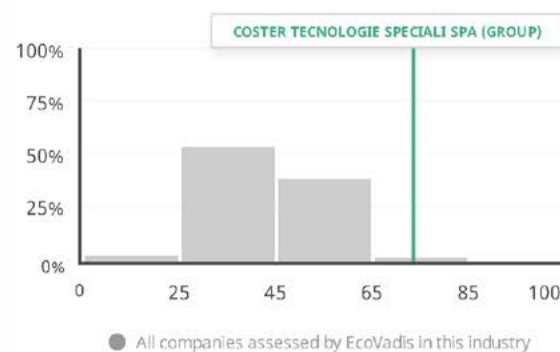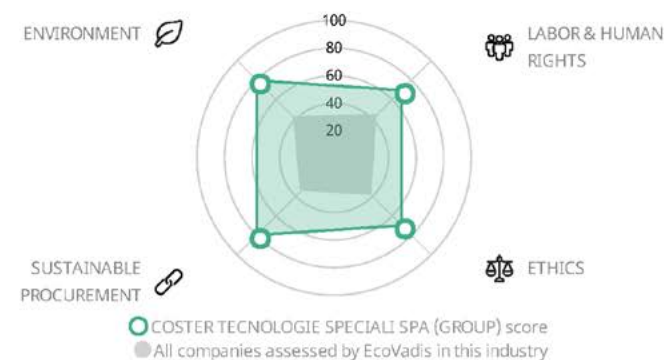
We are currently awaiting a re-assessment of our questionnaire due to an error in our reporting of employees data. As soon as we have the new rating we will communicate it through the usual channels.

YEAR	OVERALL SCORE [%]	ENVIRONMENT [%]	LABOUR & HUMAN RIGHT [%]	ETHICS [%]	SUSTAINABLE PROCUREMENT [%]
2017	56	60	60	50	40
2018	68	70	70	60	70
2019	74	80	70	70	80
2020	74	80	70	70	80
2021	PENDING				

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SUSTAINABLE DEVELOPMENT GOALS

Coster wants to contribute to sustainable growth by building alliances with influential partners, being aware that no individual organisations will be able to solve and manage the many challenges alone. Also, Coster knows that the idea of sustainability covers a wide range of topics that need to be addressed one by one in order to pursue common results. It is for this reason that the company keeps on fully supporting the **Sustainable Development Goals** set by the **United Nations**, and has therefore selected the six SDGs that primarily and best mirror Coster's sustainability areas of commitment and most material topics [34]. Nevertheless, within the document every section has been referred to the SDGs which well fit or can be also (marginally) correlated with the specific contents.

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34 GRI 102-12

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SUSTAINABILITY REPORT 2021
SUSTAINABLE DEVELOPMENT GOALS

Quality education represents one of the pillars to build a more sustainable world. In fact, inclusive education gives to locals the instruments to come up with innovative solutions to the trickiest world's problems,

Ensure access to affordable, reliable, sustainable and modern energy for all
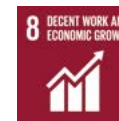
Promote inclusive and sustainable economic growth, employment and decent work for all.

Build resilient infrastructure, promote sustainable industrialisation and foster innovation, Technological progress is the foundation of efforts to achieve environmental objectives, such as increased resource and energy-efficiency. Without technology and innovation, industrialisation will not happen, and without industrialisation, development will not happen.

Ensure sustainable consumption and production patterns. Sustainable consumption and production is about promoting resource and energy efficiency, sustainable infrastructure, and providing access to basic services, green and decent jobs and a better quality of life for all. Its implementation helps to achieve overall development plans, reduce future economic, environmental and social costs, strengthen economic competitiveness and reduce poverty. Sustainable consumption and production aims at "doing more and better with less," increasing net welfare gains from economic activities by reducing resource use, degradation

Climate action comprises the need to develop adaptive capacity to climate change-related hazards and strengthens resilience against them, It also implies the spread of education and awareness on the matter and the enhancement of least developed countries in order for them to address the problem in the best way possible,

Coster's sustainability areas of commitment and most material topics are aligned with the United Nations Sustainable Development Goals (SDG's) and the objectives identified in the internationally-agreed 2030 Agenda for Sustainable Development.

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SUSTAINABILITY REPORT 2021
SUSTAINABLE DEVELOPMENT GOALS

COSTER' MATERIAL SUSTAINABILITY TOPICS

	4 QUALITY EDUCATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION
Market opportunities		√	√	√	√	
Research and innovation		√	√	√	√	√
Health and Safety			√	√		√
Work conditions and social protection	√	√	√	√		
Client satisfaction				√	√	
Industrial Excellency			√	√		√
Finished product				√	√	√
Product Quality				√	√	
Employee satisfaction			√	√		
Energy consumption and CO_2 emissions	√	√		√	√	√
Financial Independence			√			
Structures and decision-making Processes			√			
Corruption			√			
Raw materials		√			√	√
Supply Chain	√	√	√	√	√	√
Sustainable purchases	√				√	√
Social Dialogue	√		√			
Waste Management	√				√	
Local communities	√		√	√	√	
Use of water	√				√	√

COSTER

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SUSTAINABILITY REPORT 2021 QUALITY
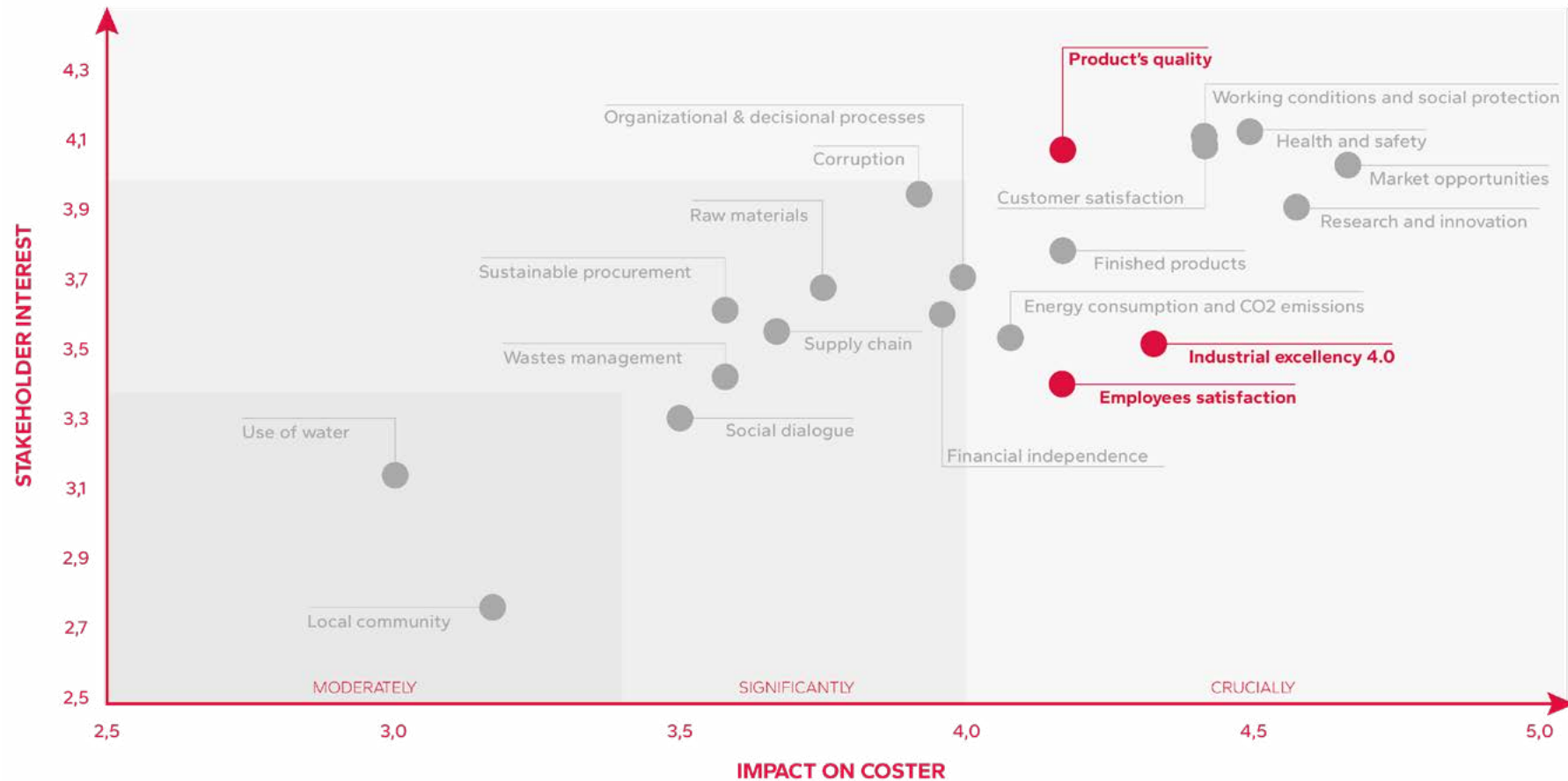
QUALITY

Quality has been recognised by customers as one of the major strengths beneficial to Coster competitiveness.

Following many years of operating at such high standards, Coster's name is now synonymous with Quality, distinguishing our products, processes, assets, way of doing things. As a result, Coster's products and service offerings have been founded on the following concepts:

- **Specialisation**, by means of plants producing single product lines.

- **Vertical Integration**, standing for moulding and assembly in the same facility.

- **Automation**, covering 100% of logistic flow in production, machinery and equipment, avant-garde IT systems (e,g, M,E,S,, SPC).

COSTER

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SUSTAINABILITY REPORT 2021 QUALITY

- **Business Excellence**, translated into the processes of manufacturing, with mistake-proof systems, visual management, human error reduction tools and Lean methodologies.

- **Quality Management System**, based on the global strategy of standardising Cosmetic GMPs (ISO 22716) across all factories.

- Inter-company **Integration**, aimed at bringing out the best practices, standardising the tools and sharing information in a Group maturity awareness and under common targets.

- **Working Environments** designed to achieve the highest quality levels, Clean and tidy, modern, spacious, healthy areas as appropriate to forward-looking industry operating in highly demanding markets.

- **Diversification**, applicable to acquisition of in-house metal anodisation and also beneficial to Quality as a feature under the direct control of the company.

■ COSTER

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CERTIFICATIONS

The commitment to reach the objectives of the 17 Sustainable Development Goals and the adoption of voluntary technical standards are closely connected. In fact, standards not only support the three pillars to sustainable development (economic, social and environmental), but they also respond to specific market and social needs in a way that embodies the mission and values of ISO and reflects the objectives set out by the UN.

Coster, demonstrates its commitment to sustainability by adopting new certifications and expanding the existing ones to its plants. Therefore, in 2021, we achieved these new certifications:

ISO 14001 in site Coster Packaging Argentina.

Halal certification for our perfumery pumps in Costertec.

In 2022 we will be certified by ISCC+ in Costerplast, one of our largest injection moulding facilities, that allow the use of chemical recycled plastics. This initiative will be extended to the rest of the injection moulding factories in the coming years in order to be able to provide the market with products with a lower environmental impact than the current ones.

The next chart provides an overview of the Certification achieved at a Group level until 2021; every ISO Standard has been associated with the SDGs numbers fulfilled in Coster ["Table 1" - p. 88] among the ones officially assigned by the

ISO body to the Standards themselves:

Standard	Percentage
ISO 26000	100%
ISO 20400	100%
ISO 9001	88%
ISO 14001	50%
ISO 22716 - 22715	44%
ISO 50001	19%
ISO 45001	13%
HALAL	6%
BRC	6%
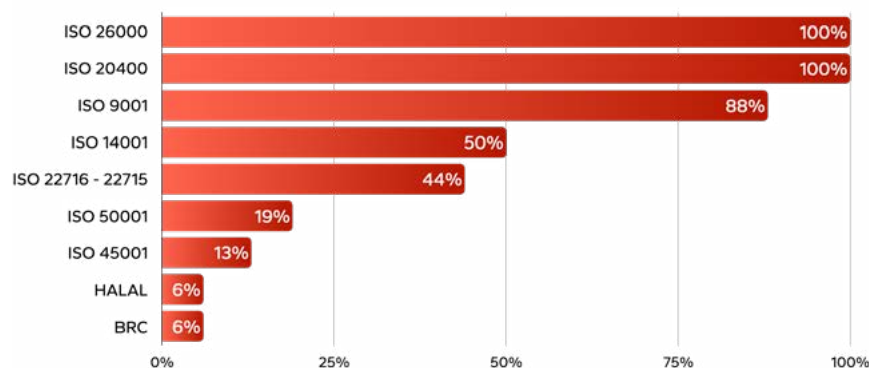
CERTIFICATIONS – Roadmap 2022-2024

Coster plans to extend:

- ISO 9001 Coster Robotics & Central Warehouse
- ISO 14001 in Coster B&S, Coster Robotics & Central Warehouse
- ISO 22716 in Coster USA, Coster India, Coster B&S & Central Warehouse
- ISO 50001 in Coster 2
- ISCC+ in Costerplast

COSTER

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RISK MANAGEMENT[35]

Coster is committed to managing and mitigating the risks to our business and its risk assessments covers a broad range of topics, including: sanitary emergencies; socio-economic scenario; sustainability core subjects; regulatory initiatives; competitive actions; financial issues; industrial accidents; natural disasters and all other applicable environmental impacts; urban context; product and facility security; impacts of changes; new products design; liability claims and lawsuits, insurance coverage; portfolio management and investor decisions; organizational resources (HR); cyber and technological resources; energy and natural resources; employees Health&Safety; raw materials, suppliers and similar exposures among Coster's supply chain.

Risks are indexed by priority and can be classified as local, regional or global risks. They are often tangible – usually quantified in financial terms – or more qualitative, such as the reputational risk among business partners, clients or shareholders. During this phase of assessment, operations are analysed in terms of their relative vulnerability and the potential impact of disruptions. After first identifying the risks, Coster takes measures to reduce their likelihood of occurrence and/or increase their detectability, develops plans for responding

to risks should they occur, and where possible, secures insurance to cover potential losses.

Specific risk management covers crimes scenario relevant to Italian decree D.Lgs 231/2001.

HACCP is conducted where food packaging is manufactured.

In response to the Coronavirus emergency and in the same way we did it in 2020, Coster reinforces the Business Contingency Policy by investing what's needed to cover the following aspects: computer system, connectivity, HD & SW, communication; emergency plans; raw materials and components sourcing; hot alternate sites and equipment; supply chain; management continuity; personnel (work organisation, home-working, health & hygiene, prevention); facilities; insurance.

Subsequently, significant global focus risks are identified and risk dashboards created to monitor major risk indicators as well as current and go-forward mitigation efforts.

CYBER RISK MANAGEMENT

Coster guarantees the highest standards of its cyber structure, data management and cyber risk prevention in the framework of the Group business contingency policy. The cybercrimes were mapped throughout the Organisation's areas within the Governance Model according to Italian law D.Lgs 231/2001, and resulted to be not inherent for Coster. Nevertheless, Coster is committed to achieve the best practices and technologies for collecting processing and protecting data from unauthorised or accidental alteration, loss or unauthorised disclosure, including electronic data, paper documents and verbal exchanges via phone calls and direct communications, in compliance with the legal provisions in force.

Within the group, information is processed and managed regarding sensitive

information such as: transactions, contracts and confidential customers, staff and products. Coster ensures that the clients' data and information must be available and usable on the part of the client.

Some initiatives will be activated in 2022 to further mitigate the risk of cyber attacks:

Implement Multi-factor Authentication to gain access to Coster Cloud applications and Coster VPN. MFA is an authentication method that requires the user to provide two or more verification factors.

Implement the Privileged Access Management (PAM) software as a fundamental asset to mitigate cyber-attacks and prevent from hackers infiltrations within organizations. PAM solution delivers robust security and oversight over privi-

SUSTAINABILITY REPORT 2021 CYBER RISK MANAGEMENT

leged access to critical IT infrastructure.

Evaluate the opportunity to use a SOC (security Operations Center) service which, by integrating XDR (Extended Detection and Response), SOAR (Security Orchestration, Automation and Response), SIEM (Security information and event management) platforms, allows detailed analysis of advanced attacks and ongoing compromises.

Thanks to these activities it is possible to identify the root cause of the problems and proceed with the removal and remediation activities.

GDPR and privacy

Coster complies with national laws on preserving personal data and, to this end, conforms with the D.Lgs 196/2003 in force in Italy. The procedures put in action to comply with the Italian law will be used by the other Coster sites around the world as a guideline. In the reporting year, Coster has not identified any substantiated complaints concerning breaches of customer privacy and losses of customer data.

After assessing data through all areas and once the gaps have been identified, Coster has worked to conform to the European Union's GDPR – General Data Protection Regulation, enforced from May 25th 2018 – by means of the establishment of the cyber solutions, procedures, policies and tools needed to conform to the Regulation. This system deployment through the Organisation must be capillary spread using different means to successfully reach all recipients.

ERP – Migration to SAP

In 2021 the ERP to SAP S4 Hana went live in UK and the process started in NL. The roadmap envisages the go-live execution in the NL and Spain manufacturing facilities within 2022, then completing the roll-out to all remaining extra-EU subsidiaries starting from 2023, to finally connect the whole Group with a fully regulations-compliant tool responding to Coster real needs. Coster achieves with SAP the global footprint and advanced interrelations tool which allows to better analyse all the data that are collected at different plant and functions levels, thus enabling to take faster and more informed decisions. This project is also beneficial to reach the whole processes review, integration and robust management through the worldwide organisation. Despite the major investments and the massive deployment of resources, the result reflects the strategic model of centralised computer operations, systems' scalability both vertical and horizontal, modular but integrated approach to work that best fits with our

reality. Modernity and quality through mistake risk reduction, rigour with agility, control with streamlining, full traceability and clear reporting have been the keys to develop the new Group ERP based on a process flow structure. Data security related to SAP has been achieved by hosting the hardware in a remote data centre managed by the main telecom company in Italy and certified to the applicable norm.

Connecting Coster

In 2021 the project concerning the implementation of an international network connecting all the foreign companies based on technology SD-WAN, by means of hardware upgrading and systems reconfiguration, went on with the connection of the first facilities in Argentina and UK. In 2022 all the other Coster companies will follow, excluding APAC region.

In 2021 a big increase of the available bandwidth has been achieved to support the activities of remote design, smart working, video-call, etc.

For what concerns interruption of business activities, Coster has set up measures aiming at reducing the risks and consequences caused by failure of the computer systems and communication. The cyber risk management involves:

- Protection of data and servers: through mirroring the main data archives on-line, virtualise servers with regular back-ups using electronic and tape back-up, robotised multi-store libraries, high technology data compression system, hardware redundancy, connectivity controls. Different back up strategies are in place to achieve the maximum reliability. ERP software is centralised. Written disaster recovery, systems restore, data retention and protection, policies for use of computer assets are in place

- All hardware in the main computer sites is protected from power disruption through a continuity system and a diesel generator automatically triggered. The communication lines of the European network are completely backed up

- Different communication means are in place, including Internet and emails, Microsoft SharePoint and Microsoft 365 to manage different functionalities and improve collaboration among the facilities.

COSTER

ENVIRONMENT

GREEN ENERGY

98% (Electricity supply)

CO2e EMISSION (SCOPE 1 & 2)

-77% vs 2018

WASTE TO LANDFILL

-58% vs 2018

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OUR ENVIRONMENTAL POLICY

Coster is committed to continuously improving the environmental performance of the production processes by adopting enhanced technologies and by acting responsibly to mitigate its environmental impact.

Decouple growth from environmental impact: our environmental mission is to provide a better quality of life today and a more environmentally responsible world tomorrow, by continually improving our business performance to mini-

mise the impact that our operations have on the environment.

Furthermore, in Coster we aim to embed environmental sustainability as a business mindset because we believe that business success and sustainability are mutually beneficial. Here we continue implementing sustainable practices to achieve better operational performance in environmental management. We will pursue the specific targets by implementing appropriate measures in the Ma-

COSTER

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SUSTAINABILITY REPORT 2021
OUR ENVIRONMENTAL POLICY

terial fields of:

- Energy consumption reduction, in terms of energy efficiency,

- Energy purchase from renewable sources, as well as other sourcing and supply chain achievements according to the Sustainable Procurement Roadmap in place,

- CO2 emission reduction under Scopes 1,2 and 3, as disclosed in the Carbon Disclosure Project,

- Waste management, by reducing disposal to landfill,

- Plastic circular economy, addressed through eco-design and design for recycling projects in the framework of our signing the New Plastic Economy Global Commitment Coster strives to implement best practices and tools to assess the products life cycle (LCA), addressed to measure and reduce impacts in the whole stream from-nature-to-nature and in the disposal scenario

Coster is fully aware that water is an essential element for the environments' wellbeing and constantly aims at preserving its integrity by reducing as far as possible its impacts on water sources. Coster commits to regularly assess, measure and address all environmental aspects, as indicated by laws or having any type of impact on local pollutions. In this framework we pursue the materials consumption reduction, in priority to hazardous and chemicals, and the preferred selection of those generated from renewable resources and concurring with full recyclability and circular economy purposes.

Our ambition is sharing our environmental best practices with our stakeholders, through the network of suppliers and business partners, also supporting sustainable development and consumption in our local communities joining forces with the territory where we operate.

COSTER

ENERGY CONSUMPTION

By its nature of energy – consuming manufacturing[36], Coster continuously seeks solutions to further reduce its consumptions. Energy is provided by regional networks which rely on different partners and distribution lines.

The company uses various types of energy in all its processes ["Table 2" - p. 89], ["Table 3" - p. 90] & ["Table 4" - p. 91]. The main consumption is electricity (89%), used in all production processes and auxiliary activities and, to a lesser extent, fuels as natural gas and diesel (11%) for climatization and emergency auxiliary equipment as shown in the following table with the distinction of their origin, renewable or non-renewable:

CONSUMPTION (KWH)	TOTAL	NON-RENEWABLE	RENEWABLE
Fuel	**5.396.083**	**5.396.083**	**0**
Diesel for Heat	*230.440*	*230.440*	*0*
Natural gas for Heat	*5.165.643*	*5.165.643*	*0*
Electricity	**41.152.930**	**854.715**	**40.297.747**
Purchased from the grid	*40.938.336*	*854.715*	*40.083.621*
Self-consumption	*214.594*	*0*	*214.594*
TOTAL CONSUMPTION	**46.549.013**	**6.250.798**	**40.298.215**

Total energy consumption -kWh
(purchased from the grid and self-production) - kWh

Electricity purchased from the grid 88,0%
Electricity self-consumption 0,5%
Natural gas for Heat 11,0%
Diesel for Heat 0,5%

Total Electricity consumption
(purchased from the grid and self-production) - kWh

7%
38.380.935   41.152.930
2020   2021

SUSTAINABILITY REPORT 2021
ENERGY CONSUMPTION
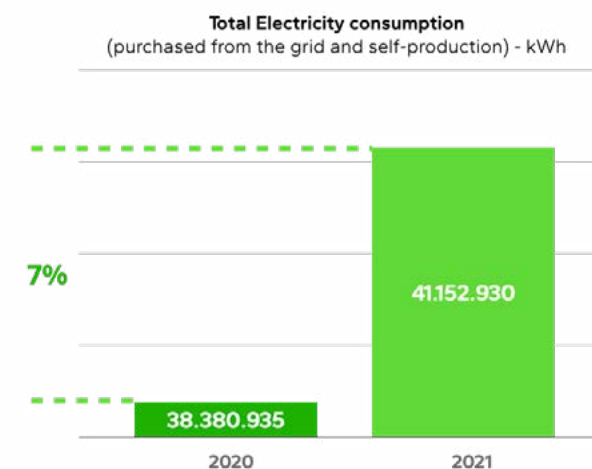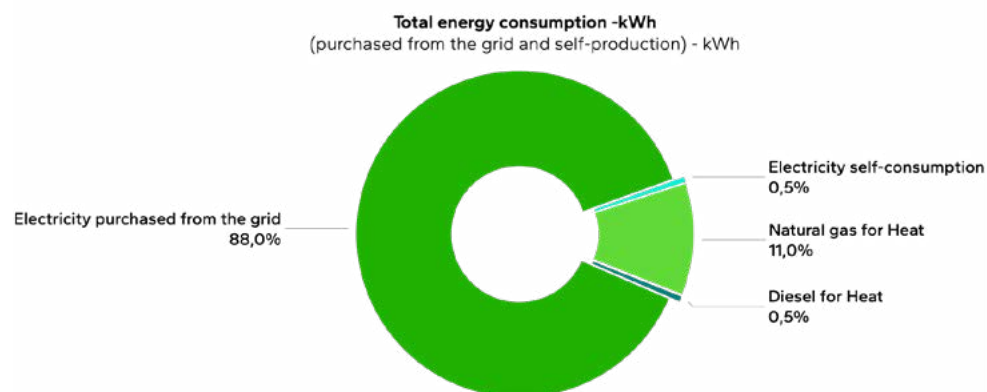
The main uses of electricity are the injection moulding and assembly processes. Coster has therefore decided to define 'energy intensity ratios'[37] by normalising the electricity consumption data using as a reference the amount of plastic processed and the volume of finished product assembled. In this way, Coster can properly assess the trend of energy consumption in each process and evaluate the best actions to take.

Normalised for the production of 1kg of plastic

2,33 kWh - 2020
2,29 kWh - 2021
-2%

Normalised for the assembly of 1000 items

4,63 kWh - 2020
4,55 kWh – 2021
-2%

Data interpretation

- Year on year, the initiatives detailed in table 5 help us to improve our energy efficiency as demonstrated by the intensity values of our two main processes, moulding and assembly, which have both decreased by 2%.

- The 7% increase in electricity consumption comes from the Coster 2, Coster Asia, Coster B&S, Coster India and Coster 1 plants due to their increased production.

- Analysis of the intensity ratios shows a small increase of 1% in moulding and a small decrease of 2% in assembly, neither of which is significant.

- During 2021, the Indian plant has been relocated from Bhiwadi to Neemrana which, with a stable electricity supply from the grid, will show a decrease in diesel consumption and a progressive increase in electricity consumption in the coming years.

- Our electricity comes almost entirely from green purchasing (98%) or self-consumption through solar panels so we can now concentrate our efforts on increasing our self-production and consumption.

Initiatives

As every year, Coster improves its facilities and processes through the establishment of different initiatives[38], shown in ["Table 5" - p. 92], aimed at achieving the established objectives. To the ones disclosed in 2020, and still reflecting or open in 2021, are added the new initiatives under investigation or implementation phase. They account for a total estimated more than 1,2 GWh energy saving almost 516 tons less of emissions of CO2e.

19
Initiatives

1,2
Annual energy saving

516
Annual emissions saving

37 GRI 302-3
38 GRI 302-4, 305-5

COSTER

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RENEWABLE ENERGY

Coster plans to source renewable energy where this is offered and available. This can be achieved by combining on-site production (solar cells), direct purchasing of biogas or green power from the grid.

Our journey towards reducing electricity consumption and emissions generated in its production process has continued in 2021 with the addition of two photo-voltaic plants at Coster Robotics and at the Central Warehouse to the existing one at Pero. This has given a boost to renewable energy generation (REG) and self-consumption that will be increased in the coming years with new plants around the world.

	Energy self-consumption	Energy sold to the grid	% of tot REG on total consumption COSTER Group
2020 — 226.115 Total production -kWh	183.904 kWh — Pero site	42.211 kWh	0,59%
2021 — 302.877 Total production -kWh	214.594 kWh — Pero site, Central Warehouse and Coster Robotics	88.283 kWh	0,73%
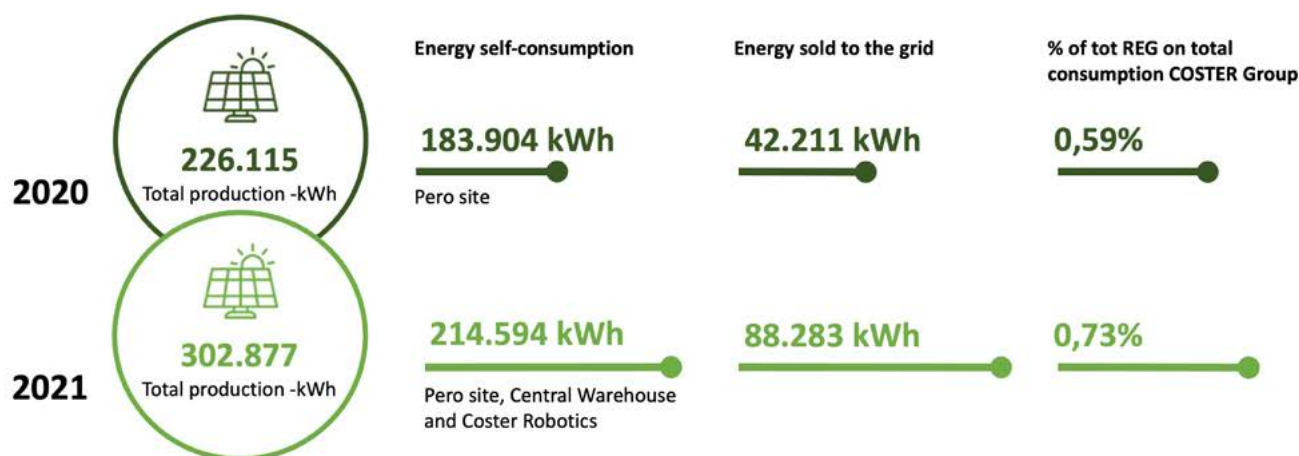
The new photovoltaic plants have allowed an increase of up to 0,74% in electricity production in a year in which general consumption has also increased by almost 6%, maintaining self-consumption around 40% on the sites where it is generated ["Table 5" - p. 92].

+25%

84% — 32.104.304 kWh   98% — 40.083.621 kWh
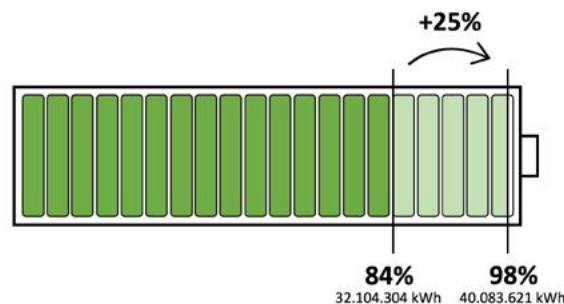
Green purchase from the grid

The following figure shows the amount of energy purchased from renewable sources at corporate level ["Table 6" - p. 94] , ["Table 7" - p. 95] for detailed information):

98% — Green energy at Group level

100% — Green energy in Europe

COSTER

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Data interpretation

With the 25% absolute increase of electricity purchased from renewable sources in 2021 we almost achieved our goal. Only our new plant in Neemrana (India) has been left out due to its relocation.

In 2021 we achieved 100% green energy supply in EMEA, 77% in APAC (100% in Malaysia site), 100% in NAFTA and 100% in LAPAC.

RENEWABLE ENERGY– Roadmap
Renewable energy purchase worldwide 100% in 2024.
Total amount of renewable energy generation (reg) of 3% by 2024.

CARBON EMISSIONS

Coster adheres to the Carbon Disclosure Project initiative for Climate Change, thus making the set of emission data and breakdowns, performance and targets, risk/opportunities and strategies available in transparent way, also validated (for Scope 1 & 2) on annual base by an external accredited company making on-site audit. Emissions metrics and methodology indicated by CDP are fully respected.

In 2021, the Coster Group's most ambitious carbon emissions project was to add Scope 3 to the long-established Scope 1 and Scope 2 and committing to set one or more targets in 2022 in line with a 1.5 ºC warming scenario and net-zero future.

The next figures recap the emission data reported in CDP Climate Change 2021 under the Scopes 1, 2 & 3[39] for direct and indirect emissions. The progress for year 2021 will be reported in the next CDP submission. ["Table 9" - p. 97], ["Table 10" - p. 98], ["Table 11" - p. 99].

Total carbon emissions (Scopes 1, 2 & 3)

CO_2 198.251 ton CO2e - 2020

CO_2 163.400 ton CO2e - 2021   -18%

Carbon emissions 2021

Scope 3 98,9%

Scope 2 (Market-based) 0,5%

Scope 1 0,6%

Carbon emissions by scope 2021 vs 2020

2020: 905 ton CO2e
2021: 988 ton CO2e   9% Scope 1

+8% Scope 2 (Location-based)   2020: 16.408 ton CO2e
2021: 17.751 ton CO2e

2020: 194.787 ton CO2e
2021: 161.632 ton CO2e   -17% Scope 3

-70% Scope 2 (Market-based)   2020: 2.559 ton CO2e
2021: 780 ton CO2e

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SUSTAINABILITY REPORT 2021

CARBON EMISSIONS

In order to understand better the carbon emissions emitted by Coster, we defined a "Intensity ratio"[40] for the Scope 1 and 2. For the first one we measure the emissions per m2 surface heated, and in the second one per mln of product units sold ["Table 8" - p. 96]:

Carbon emissions intensity ratios

Scope 1
Emissions per m2 surface heated

-3%

2020: 15,68 kg CO2e/m2
2021: 15,24 kg CO2e/m2

Scope 2 (Location-based)
Emissions per mln of product units sold

+5%

2020: 3,91 ton CO2e/mln
2021: 4,11 ton CO2e/mln

Data interpretation

Our emissions had been reduced by 18% at group level compared to 2020, due to decrease in Scope 2 (purchasing green energy) and Scope 3 (more accurate accounting by avoiding duplications).

The Scope 1 emissions has increased by 9% from 2020 due to the inclusion in this report of Coster 4 and Central Warehouse but we are more efficient using the fuel as intensity value decreases 3%.

We achieved 70% reduction on the Scope 2 (Market-based) thanks the energy purchased from renewable resources.

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WATER CONSUMPTION

Water represents neither a crucially nor significantly material aspect in Coster Materiality Assessment since it is mainly used in the cooling system of injection moulding and domestics uses (toilets, showers, canteens, etc.). This water, once used, is always discharged in compliance with the legislation in force in each country with a low pollutant load.

All water used is freshwater that is withdrawn by ground water and from public/private water utilities. Coster does not consume water from water-stressed areas and does not have significant water storage beyond that required for emergency facilities.

Nevertheless, Coster is fully aware that water is an essential element for the environments' wellbeing and constantly aims at preserving its integrity by re-ducing as far as possible its impacts on water sources.

Methodology and results

On the base of the tot amount of 4.319.951 (Q/1000) of products sold by Coster Packaging Division in 2021, with an increase of 3% from 2020, Coster calculates the quantity of water needed to produce 1000 finished items. Such volumes of sold products is taken from the annual Group Sales Report (note: in year 2018 special products and components were not considered). The following figures show the water consumption[41] in the baseline period and the variation from 2020 onwards ["Table 12" - p. 100]:

Data interpretation

The increase in production as well as the presence of the majority of employees in our sites has led to an increase in water consumption in absolute values, but we have been able to contain this increase in intensity values thanks to the reduction measures implemented in previous years.

As the previous years, almost 98% of water is withdrawn by ground/well and it's returned to the nature in compliance with all existing regulations with minimal variation in its properties.Coster aim is to continue this conscious approach, trying to integrate water saving activities and sensitising its employees on a more mindful use of it.

Total water usage (input)

7,66 %

636.166 - 2021
590.919 - 2020

Water withdrawn by ground water (return to nature)

578.028 m3 - 2020
622.159 m3 - 2021
+7,63%

Water consumed by municipal/public water or private water utilities

12.891 m3 - 2020
14.008 m3 - 2021
+8,66%

41 GRI 303-3, 303-5

54

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WASTE MANAGEMENT & RECYCLING

In the spirit of reducing material consumption, the environmental impacts of the disposal scenarios and fostering the circular economy, also to follow up the New Plastic Economy Global Commitment (see our performance at EMF website)., Coster has implemented initiatives to increase recovery and reuse rates. In particular, Coster is firmly committed to reducing waste production, with a special focus on hazardous waste and to constantly increase the quantity sent to any form of recovery. We strive to recycle what cannot be reused. If neither reuse nor recovery is possible, waste is disposed of by using the available method that has the least environmental impact (e.g., waste-to-energy conversion) with landfills used only as a last resort.

Coster Packaging Division in 2021, +3% from 2020, Coster calculates the quantity of waste generated to produce 1000 finished items. Such volumes of sold products is taken from the annual Group Sales Report, excluding the figures relevant to special products and components, for homogeneity with previous years calculation. The figures below represent the waste management[43] ["Table 13" - p. 101].

Data interpretation

The growth in waste generation is motivated by the inclusion of a new process in Italy and Argentina since 2020. Central Warehouse inclusion in this report

-32% Non-hazardous sent to disposal — 2020: 157 ton — 2021: 106 ton

+5% Non-hazardous sent to recycling — 2020: 2.241 ton — 2021: 2.350 ton

+2% Non-hazardous — 2020: 2.398 ton — 2021: 2.456 ton

+3% Waste generated — 2020: 2.679 ton — 2021: 2.763 ton

-43% Hazardous sent to disposal — 2020: 69 ton — 2021: 39 ton

+9% Hazardous — 2020: 281 ton — 2021: 307 ton

+26% Hazardous sent to recycling — 2020: 212 ton — 2021: 268 ton
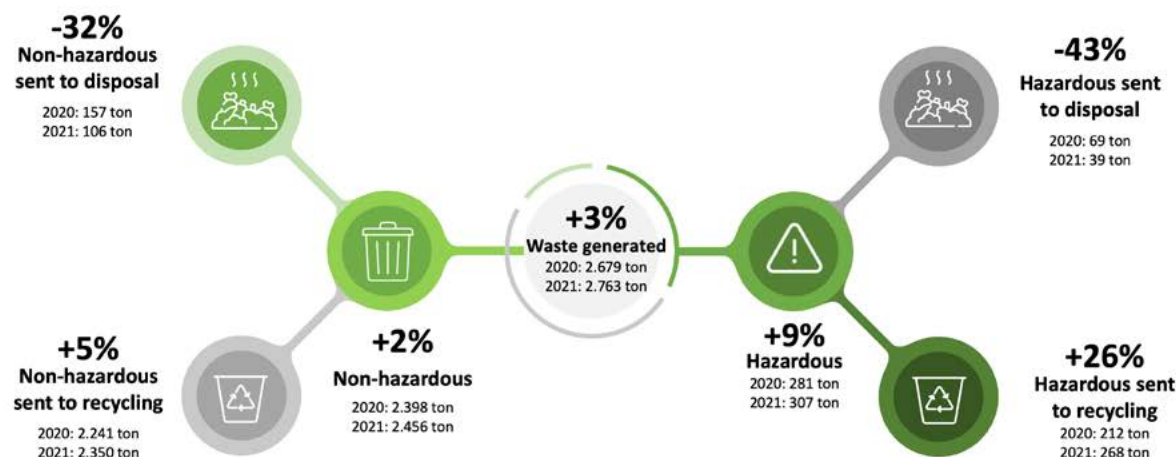
Methodology and results

The waste disposal method in Coster depends on the waste code associated with the single item, according to laws and regulations in place, and it is always handled by qualified third-party or collection companies[42].

Coster does not transport waste neither in country nor abroad.

On the base of the total amount of 4.319.951 (Q/1000) of products sold by

does not affect too much (+20 Tn)

Less than 10% of total waste produced were hazardous and anyway more than 85% of that was sent to recycling.

Our journey towards zero waste to landfill has already started and is clearly shown by reduction as a management pathway for both hazardous and non-hazardous waste showing reduction of 36%.

42 GRI 306-2
43 GRI 306-3, 306-4, 306-5

COSTER

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SUSTAINABILITY REPORT 2021
WASTE MANAGEMENT & RECYCLING

About waste recycling

- Plastic waste from injection moulding is separated by material and disposed for 100% recycling in the apposite streams (external Post Industrial Recycling)

- Plastic scraps from injection moulding reprocessed in-line (internal Post Industrial Recycling)

- Paper Policy contribution, which succeeded in substantial increase of recycled paper use in the offices, now around 100%. Office supplies are also purchased from PCR.

- In 2020 Coster joined international multi-stakeholders working tables to define the sorting stream and recycling strategy for aerosols (like FCA Aerosol Recycling)

- Project launched in 2019 to increase the % of recycled fibers in cardboard boxes used as secondary packaging.

- Reduction of plastic waste giving our employees an aluminum water can or recycled cups.

WASTE MANAGEMENT– Roadmap
Reduce to zero landfill performance before 2026

COSTER

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ENVIRONMENTAL MANAGEMENT

Thanks to an accurate environmental management and a progressive ISO14001 Certification extension to all operations, in 2021 no monetary fines on environmental matters and no legal disputes were identified in Coster plants.

Furthermore, in 2021 no spills occurred.

Regarding to Biodiversity, none of our plants is located within 2 km of an area protected by local legislation.[44]

COMMUNITY

PEOPLE

980

TRAINING

15.152 hrs

COMMUNITY PROGRAMS

COSTER CARES

COMMUNITY

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SUSTAINABILITY REPORT 2021
ENVIRONMENTAL MANAGEMENT

COSTER

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123
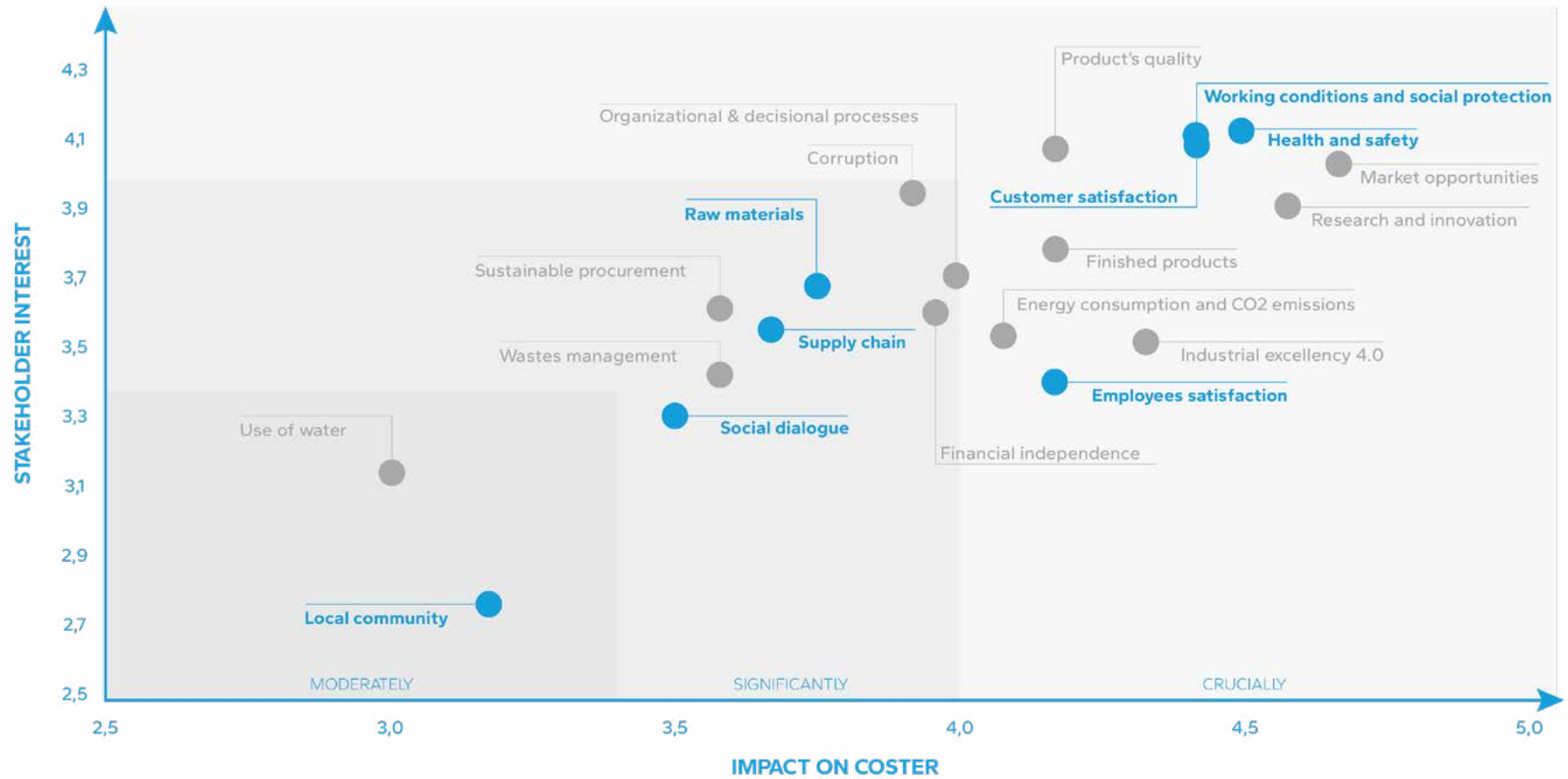
LOCAL COMMUNITIES[45]

Despite the topic "Local Communities" resulted moderately material from both Coster and Stakeholder in the Materiality Matrix, Coster's efforts turned to this subject show the high level commitment it deserves from all organisations and institutions working on the territory.

From its foundation, Coster has directly and indirectly contributed to the economic development of the local areas and communities where the group operates. This is the foundation of the following policy, annually reviewed with real life outcomes.

Community Development Policy

On Environment and landscape: Coster pays the utmost attention to respect the local landscape features, wherever the operations are based. The building design, external areas and maintenance status always assure the greatest landscape compatibility whether facilities are located in industrial and commercial areas or in residential district.

None of Coster facilities produce emissions that may negatively affect the atmosphere, nor produces odours, noise, light pollution or discharges into ground or water beyond the limits imposed by law. All possible sources of environmental impacts are mapped and found either not applicable, as for biologic, electromagnetic, radiogenic or vibration sources, or regularly checked according to provisions in place if any risk of minimum contamination may appear.

The vehicle traffic doesn't impact on normal traffic flow.

The use of natural resources is respectful to the fullest possible extent, renewable sources are privileged as for electric energy and the best technologies are used to minimize consumptions.

Waste management is guaranteed the maximum care, targeted to reduce disposal to landfill to zero.

COSTER

45 GRI 413-1, 413-2

On local economies: Coster's employees are mostly hired from local sites municipalities and represent a relevant source of direct and indirect income for the families, industry and commerce in the area of operations by generating wealth and employment opportunities. By hiring local employees, Coster is also able to minimise transport-related environmental impacts. Furthermore, Coster collaborates with local companies by purchasing products, services and assistance, also contributing to these companies' growth together with Coster in terms of know-how, skills, best practices and capabilities. This is how in Coster we produce turnover in different economies thus leveraging our global scale but remaining locally connected with the territory where we operate. Solidarity sourcing initiatives shall be evaluated wherever valid opportunities should appear.

On social footprint: Coster is locally active and has always included the well-being of its employees and the communities in its business policy of continuous investments on modern and ergonomic structures, aiming at providing its employees with excellent H&S and working conditions (attention to their work environment and on having clean facilities) and services (canteen, laundry service), Legal, equal and transparent conditions of recruitment and employment, careers management and talents retention, promotion of social dialogue and pro-active collaboration with the trade-unions associations build up our approach to human resources. We don't accept any abuses, labour coercions and discrimination in any form of penalising diversity nor any violation of human rights whatever the stakeholders concerned.

The company is actively involved in civil society with a miscellaneous of initiatives addressed to the local communities, EDUCATION and SCHOOLING represents our credo, in which we recognise and to be targeted with local initiatives that each company deems appropriate in the specific context where it operates. Gender equality, diversity and inclusion are targeted with a new challenging program for a further step ahead in creating potential, values and opportunities for both the organisation and its people.

On Transparency: There are no records of tensions with the local administration, whereas there is a mutual beneficiary relationship[46]. Should any concern arise through the communication lines in place, made publicly available in the ethical code and governance model, the appointed team shall guarantee the due analysis and appropriate processing.

The facts and initiatives

• Education and Schooling

The first activity related to Coster Cares was launched during the last quarter of 2021 and consisted in giving technical training to our talented manufacturing operator and students from technical and professional local schools on our products and technologies divided into three modules (introductory, basic and advanced).

This programme is based in the following pillars:

• Employee wellbeing, people development & retention

• Diversity, equal opportunities & inclusion

• Partnership with local communities

During the final quarter of 2021, Coster Italia launched one of the actions that are part of the Coster Cares programme, the wellbeing seminars.

In 2020 Coster India started to support **Bright Future**, an after-school education centre, a community and safe hub in Gazipur, one of the poorest slums in Delhi.

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123

Born from an individual initiative, this small organisation is growing every year with very limited resources providing a nursery, education, focused classes, e-learning, restoring, blossoming potentials, fostering self-esteem, attention, occasions for celebration.

Costertec in Spain established a collaboration partnership for access to work addressed to students of "Fundació Eduard Soler" (FES), a vocational training centre specialized in mechatronics and industrial programming and in the same way Costerplast with local technical schools.

During 2021 in Italy we launched an initiative to provide the local communities of Calceranica and Caldonazzo with online workshops.

• **Social inclusion**

Coster B&S also in 2021 worked on simple manual assembly and packaging activity of certain items with Vakmensen, a work centre in Zwolle, where Coster is based, where people with a distance to the labour market, often with a mental health background, perform work for companies, but especially for themselves. Vakmensen's professionals look for partnerships with parties like schools, chain partners in healthcare, companies and guide to a job people who are not (yet) ready for this.

Catidom works with ADTP and CSV. They are two workshop where employees are disabled or in reintegration process after troubled personal situations, and collaborated with Catidom to put pieces on thermos for anodizing process.

• **Solidarity Initiatives**

Among other voluntary contributions to events for charity or donations of Coster companies to the local humanitarian, health and social care associations, we mention:

• Unicef, Bomberos Voluntarios, Fundación Fátima, Fundación Pilares and Fundación San Jose Providente in Argentina

• Somnàmbula race St. Tomàs, Germanetes dels Pobres, Festival del cinema de Muntanya and Pabordes de Rocaprevera in Spain

• Bluebel wood and Movember - Means Health charity event, Killamarsh under 10's football team in UK [47]

• University of Illinois in USA

From a social point of view, some workers in Coster Tecnologie Speciali S,p,A, volunteer in the public Fire Brigades and the company provides them with permission to render their service during working hours in case of emergency calls.

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EMPLOYEES

In 2021 Coster counts **980 employees**[48]. This figure is almost the same as the previous year, but shows an increase in the presence of women of 4%, in line with the significant increase in the recruitment of women ["Table 14" - p. 102] - ["Table 17" - p. 103].

Almost all our senior managers, plant managers and direct reporters come from the same country or state where the plant operates. Following the aforementioned vision of sharing experiences within the Group, the Group Sustainability Manager from Costertec in Spain was appointed in 2021, as well as a group of Sustainability champions at each manufacturing sites.

Moreover, the fact that most employed people belong to the surrounding community facilitates both Coster's activities in the region and the relationship with the community[49].

There is not a significant portion of the organization's activities performed by workers who are not employees.

Considering diversity as a company richness, Coster pursues an inclusive workplace that enhances everyone's contributions to the Company, enable employees to collaborate in ways that break down barriers and transform differences into strengths.

For that reason, Coster is committed to ensure equal employment opportunities for all members of our workforce based on merit, prohibiting any form of discrimination. The company promotes equal opportunities in the workplace as a crucial quality to human resource management and an indicator of long-term success.

Salary conditions and payment process are clearly communicated to employees during hiring and formalised in the employment contract. Meetings and social dialogue means are the channels are used to interactively communicate about working conditions.

980 total employees

748   232

2,2%

Presence of disabled/protected categories workers
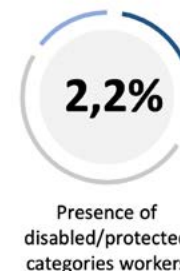
Employees by age and gender

123	20	< 30 years old
409	138	30 < x < 50 years old
216	74	> 50 years old

■ Male ■ Female
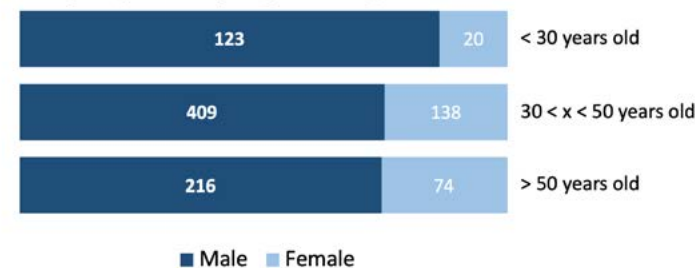
48 GRI 102-7, 102-8
49 GRI 202-2

COSTER

63
123

SUSTAINABILITY REPORT 2021
EMPLOYEES

Workforce by geographic area and gender

EMEA
597
441 | 156

NAFTA
35
22 | 13

LATAM
143
127 | 13

APAC
206
155 | 50

● Male   ● Female
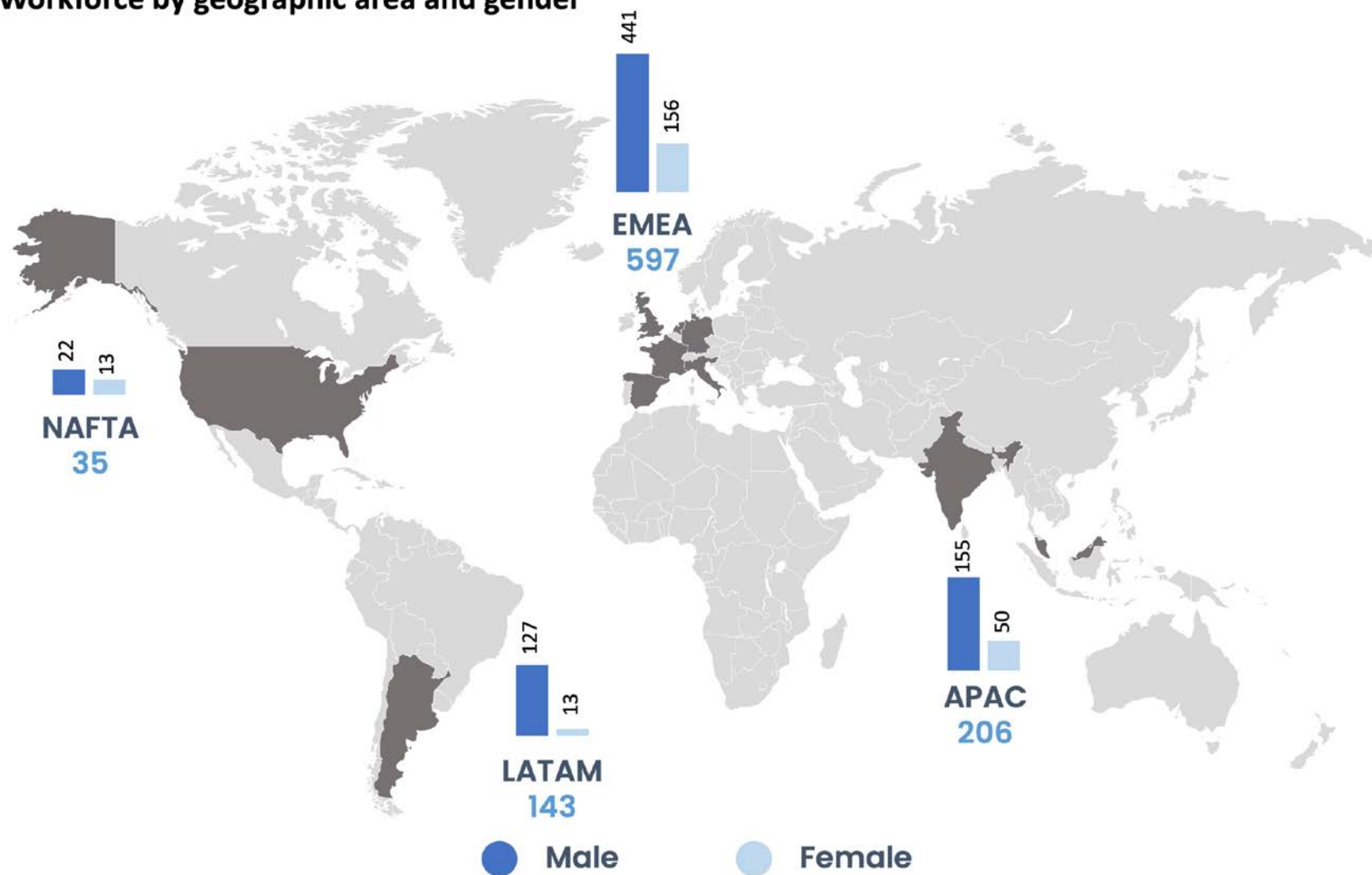
64

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NEW HIRED PERSONNEL[50]

In 2021 Coster hired 209 new employees with a significant increase in the hiring of women compared to previous years. In addition, more than 40% of the new hires concerns the age group of under 30 years old and the over 50s represent less than 10% ["Table 18" - p. 103] and ["Table 19" - p. 103].

These new hires were recruited both to replace retiring or resigning personnel but mainly for strategical and growth reasons in specific areas. In fact, the greatest staff recruitment occurred in APAC due to the new India site in Neemrana ["Table 20" - p. 104].

209 New hired personnel

110 Male   99 Female

Employees by age

87	< 30 years old
105	30 < x < 50 years old
17	> 50 years old

New employees hired by age and gender

Under 30 years old
42 Male
45 Female

30 – 50 years old
52 Male
53 Female

Over 50 years old
16 Male
1 Female

Turnover rate

176 employees turnover

90 Male   86 Female

	Male	Female
EMEA	29	37
NAFTA	10	3
LATAM	11	1
APAC	40	45

64 < 30 years old

68 30 – 50 years old

44 > 50 years old
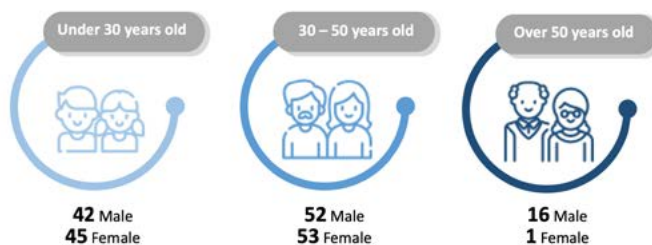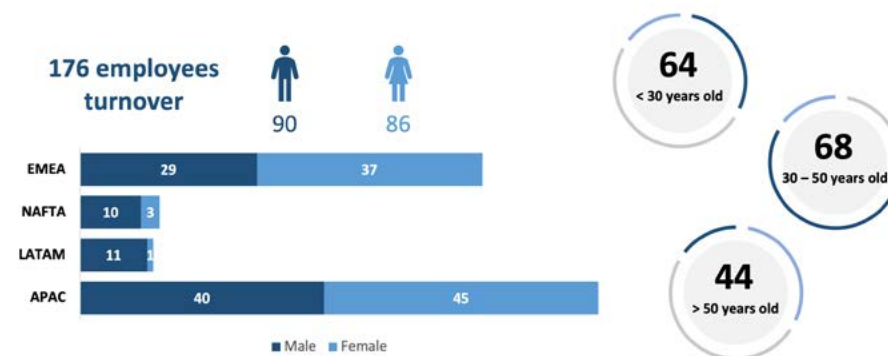
In 2021, the effects of COVID-19 in all regions have continued to be felt significantly and therefore staffing levels have had to be adjusted.

The high turnover[51] values are still motivated by the COVID-19 pandemic which has forced temporary adjustments to cover medical leaves or production increases as can be seen in the hiring and rotations in some areas such as APAC ["Table 21" - p. 104] and ["Table 22" - p. 104].

In the regions with small sites with few employees, the resignation or the hiring of single individuals determines a great percentage impact and considerable percentage differences between years; this is the case of the NAFTA Region, represented by the sole Coster USA, where the resignation of one single person reflects in major turnover fluctuations.

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123

Training

In 2021, although COVID restrictions have remained in place, we have started to regain the levels of training commitment we had before the pandemic. As in 2020, priority has been given to the use of distance learning or web-based platforms ["Table 23" - p. 105][52]

Coster still invested in organizational human resources, to both secure talent and provide employees with opportunities during their entire career. This approach pushes employees to dynamism and job rotation thus driving openness, competence and experience sharing, awareness and commitment, personal and careers progression.

The first actions of our new Coster Cares programme took place in 2021 in Italy with the launch of community seminars such as "Effective Job Search" and "The Culture of Error".

Remuneration women to men
Coster is aligned with the vision of the United Nations Sustainable Development Goal on Gender Equality. Non-discrimination in the workplaces is one of

the strongest values in which Coster believes and commits to achieving 50-50 representation of women and men in all parts of our Company, aiming at giving its male and female employees equal opportunities and treatment. One of the ways in which inequality manifests itself is in remuneration[53]. The following table shows the salary ratio of women vs. men grouped by occupational group:

TRAINING– Roadmap
Implement new Coster Cares initiatives

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52 GRI 404-1, 412-2
53 GRI 405-2

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	DIRECTORS-MANAGERS	MIDDLE MANAGEMENT	ADMINISTRATIVE-OPERATORS
Coster Tecnologie Speciali SPA	1,01	0,95	0,97
Costerplast (Italy)	0	0	0,98
Tecnocoster (Italy)	0	0	0,98
Coster SARL (France)	0	0,97	1,09
Costertec (Spain)	0,72	0	0,99
Coster Ltd. (UK)	0,85	0	0,86
Coster B&S (Holland)	0	0,29	0,40
Coster GMBH (Germany)	0	0	0,65
Coster USA Inc.	0,56	1,18	1
Coster Packaging, S.A. (Argentina)	1	1	0,95
Costerpack Manufacturing, Sdn Bhd (Malaysia)	0,43	0,59	0,65
Coster India Packaging, Pvt Ltd	0	0	0,77

The "0" values mean that there is no presence of either gender in that group of workers. That cases of bigger gaps within the same age group are generally due to few workers representing their gender and in these cases with some inhomo-geneities in job profile, responsibility and seniority which explain differences in spite of equal category.

Smeta IV Pillars audits[54]

Coster cares and monitors the internal application of core equity and fairness principles to compensation levels, annual salary reviews and promotions, and work-life balance arrangements like working in the area of global parental leave and employee flexibility.

In 2021 due to the havoc related to COVID-19 it has not been possible to carry out a SMETA audit at any of our sites. So the numbers shown in the latest annual report regarding to coverage are still correct: 60% of operations (manufactur-ing sites), 82% of total workforce and 60% of the tot turnover.

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OCCUPATIONAL HEALTH AND SAFETY

Work accidents

Coster keeps pursuing the **goal of zero accidents** at corporate level, with the promotion of health and safety being our priority. The company therefore endeavours to comply with the requirements set in this area by the applicable regulations in all the countries of operations, by adopting a continuous improvement approach and providing all employees with a safe, healthy and productive work environment, Systematic risk monitoring, respect of deadlines for law-compliant operations, use of all necessary personal protective equipment, emergency tests, regular medical checks are among the prevention and protection activities in place. Best practices and avant-garde technologies go hand in hand with continuous training the safety culture to guide the people behaviours in the day-to-day.

The ISO 45001 certification in place at Costerplast and Costertec, the H&S management systems, the Governance Model, the SMETA IV Pillars audits, the CSR audits at suppliers, induction for visitors are the means used by Coster to guarantee that the safest conditions are provided every time and everywhere in each facility.

Number of people injured by region

All the sites, except for Coster USA and B&S, have a formal Health and Safety Committee that monitors programs and sets guidelines regarding occupational health and safety; these committees represent 100% of Coster workers both staff and blue collars.

Methodology

It has been considered any workplace accident causing one or more calendar days of work absence, excluding accidents "in itinere" ["Table 24" - p. 105]. The day-lost count considers the calendar days, begins the day after the accident and includes Saturday and Sunday.

For 2021 we have calculated rates following the GRI standards and show them by site in the related ["Table 25" - p. 107] and ["Table 26" - p. 108] in the Fact&Figures section at the end of the report. They are calculated as Frequency ratio "Number of high-consequence work-related injuries (injuries with one or more absence day) by total hour worked x 1.000.000" and Severity ratio "Number of days loss by work related injury by total hour worked x 1.000"

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SUSTAINABILITY REPORT 2021

OCCUPATIONAL HEALTH AND SAFETY

Data Interpretation

- A total of 13 work-related injuries were recorded in 2021, all of them to men with blows and cuts as the main causes[55].

- Total 351 work loss days, with a significant increase due to two accidents that accumulate almost 70% over the total

- No accidents occurred to contractors' employees during 2021

- In 2021, no work-related fatalities occurred in Coster

Absenteeism rate

The considerations for the absenteeism rate by gender groups can be borrowed by the Safety comments, whereby injuries, the small staff of some facilities, also in terms of gender breakdown in some local cases, as well as some regional habits can explain the absence figures for any reasons different from paid leave ["Table 27" - p. 109]. In 2021 Covid-19, in addition to the same consequences that the pandemic had during the previous year, the worldwide vaccination process also had a considerable impact on the figures, especially in Italy.

Facility	Female	Male
Coster India Packaging, Pvt Ltd	2,62	10,45
Costerpack Manufacturing, Sdn Bhd (Malaysia)	0,1	0,84
Coster Packaging S.A. (Argentina)	0,8	5,47
Coster USA Inc.	0	0,23
Coster GMBH (Germany)	0,04	8,3
Coster B&S (Holland)	0,09	4,99
Coster Ltd. (UK)	0,29	6
Costertec (Spain)	0,37	5,52
Coster SARL (France)	0,02	0
Tecnocoster (Italy)	0,52	18,03
Costerplast (Italy)	0,63	23,58
Coster Tecnologie Speciali S.p.A.	18,25	18,68

■ Female   ■ Male

69
123

SUSTAINABILITY REPORT 2021
OCCUPATIONAL HEALTH AND SAFETY

Employee satisfaction and health promotion

Employees are Coster's greatest asset. The group always strives to ensure that they feel valued and to develop that sense of belonging which creates a rewarding and positive workplace environment.

Working environment

Every year Coster invests significant capital in buildings and facilities renewal to provide employees with a more modern and comforting workplaces, In 2021 these were focus on the final relocation process for our new Neemrana plant in India.

The welfare

Alongside the miscellaneous of local initiatives that Coster facilities took in 2021, they can be mentioned:

- Benefits: Also in 2021 the flexible benefits plan of company welfare has been stipulated with WTW including a wide package of goods and services alternative to 2nd level contract bonus scheme available to Coster S,p,A, employees. Other benefits offered in the Group consist in redundancy payments over and above legal minimums, bonus and performance rewards, layoff pays, layaway plans, medical benefits and expenses reimbursements, prepaid medicines, bicycle purchase plans, free travel to public transport places, free parking benefits, extra-holidays depending on workers age, financial benefits in distress conditions, health and life insurance, death benefits.

- Work-life balance: mobility for operators, time flexibility for study, work flexi-time to leave the company so that to avoid traffic jams, work flexi-time for mothers, remote working schemes.

- Health: Agreement with Metasalute in Italy, access to Covid-19 tests, special insurance and bonus reward as measures to support employees against Coronavirus, access to flu shot, psychological coaching, specialist cardio-vascular check-up and medical screening, vaccination for business travels to certain foreign countries, training on correct lifestyle.

- Other initiatives

Coster personalized aluminum bottle to employees to avoid the use of disposable plastic cup, Christmas box, school supplies for children, gifts for Easter, gifts for father's/mother's day, gift for births, gifts for retirement, scholarships, sport activities, meals and snacks.

The Coster Cares program

The Coster Cares program designed during 2020 was partially frozen due to the pandemic and only some of the initiatives could be activated. One of them, only in Italy, was "Coster Academy" and was carried out into the last quarter of the year. This activity consisted in giving technical training to our talented manufacturing operator and students from technical and professional local schools on our products and technologies divided into three modules (Introductory, basic, advanced)

Into the first pillar of the programme and in Italy too, 3 wellbeing seminars were launched online for our employees.

The full activity plan will be put in action according to an implementation roadmap by geography, the progress and target achievements will be tracked by the Group Sustainability Committee.

EMPLOYEE SATISFACTION – Roadmap 2022
Launch the Coster Cares program around the world

COSTER

PRODUCTS

USAGE OF CARBOARD IS
RECYCLED OR FSC

98%

PROCUREMENT BUDGET
SPENT ON LOCAL SUPPLIERS

56%

OUR TOP SUPPLIERS SIGNED OUR
SUPPLIER CODE OF CONDUCT

94%

NEW PRODUCTS IN PCR

- Hydra spraycap (actuator in PCR)
- 32MSPUP (pump with overcap & mounting cup PCR)
- Dip tube V07.12 for 1" valves
- Orbit spraycap (actuator in PCR)
- Overcaps V20.109, V20.128 and V20.129 (for actuators and pumps)
- We have homologated the black masterbatch NIR detectable

PAPER USED IN OFFICE IS
RECYCLED OR FSC

99%

HYBRID FLEET

50%

PATENTS SUBMISSION

VELA ACTUATOR (FOAM)

LIFE CYCLE ASSESSMENT (LCA)

SCREW PUMPS

71

123

PRODUCTS
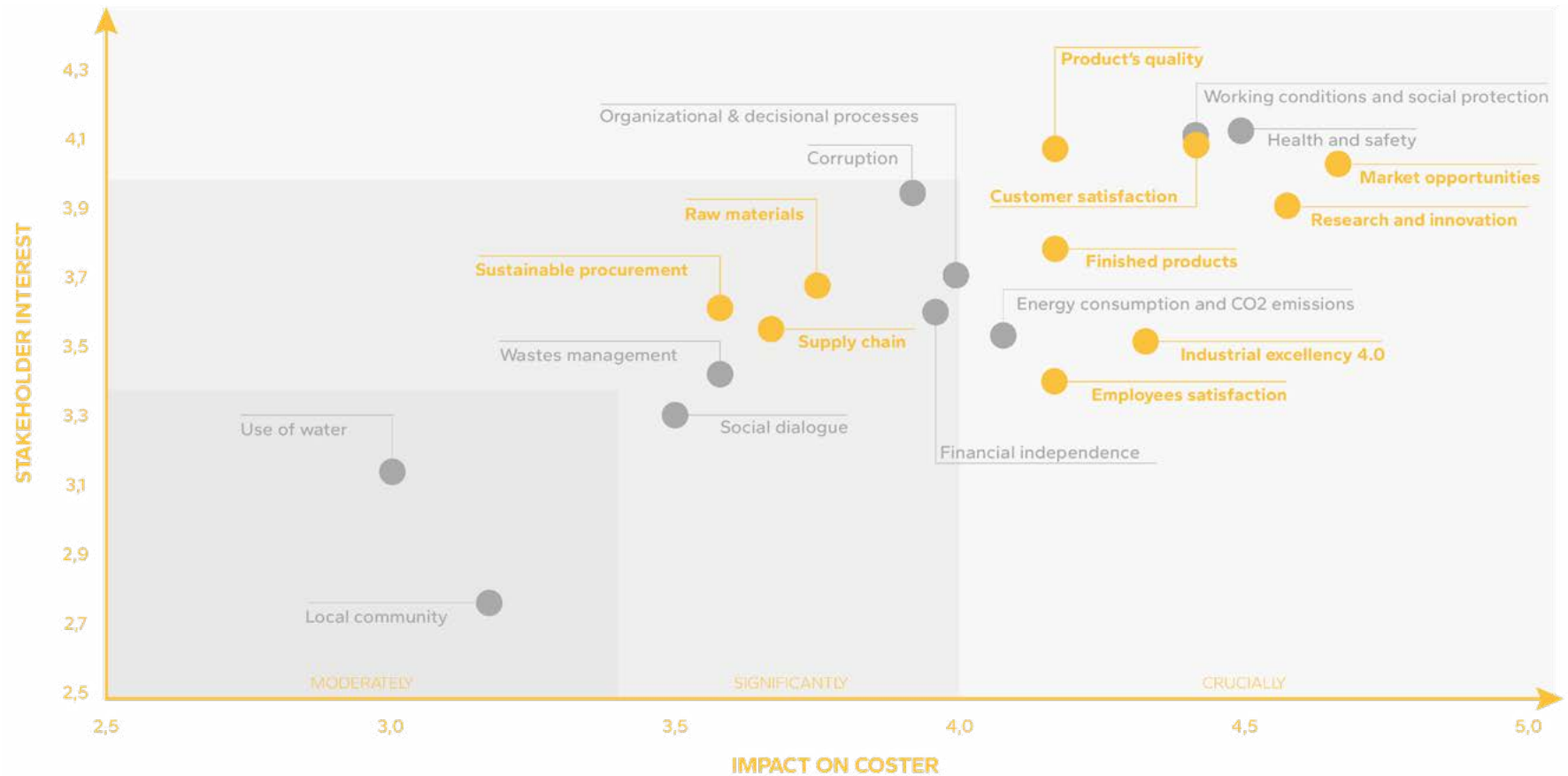
Since 1963, Coster designs and manufactures high-quality filling systems and a complete range of spray and dispensing packaging components such as aerosol valves and actuators, special actuators, spray caps, spray and perfumery pumps, dispensers, The market application covers a variety of product forms, from aerosols to spray and dispensing products for personal care & cosmetics, pharmaceutical, perfumery, food, home and technical products. From 2020 Coster also offers direct manufacturing and sales of anodized components, following the strategic acquisition of French metal anodizing company Catidom.

Coster is the world's only company to produce **both packaging components and filling equipment**[56]. The product range covering fully and semiautomatic lines and +lab scale equipment, the manufacturing capacity of 10 complete lines per year, the features to offer tailor made solutions for pharma and aerosol applications with a special sight to new technology, bring Coster to be the second worldwide supplier. In 2021 the filling equipment covered 4% of the total group consolidated sales.

56 GRI 102-2

72
123

SUSTAINABILITY REPORT 2021   PRODUCTS

Aerosols valves

- 1 inch valves
- 20 mm valves
- BOV: bag-on-valves
- Metering valves
- Special valves

Actuators and spray caps

- Actuators
- Spray caps
- Special actuators & spray caps (custom)

Pumps

- Spray pumps
- Perfumery pumps
- Dispensing pumps

Filling Machines

Anodized components

COSTER

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SUSTAINABILITY REPORT 2021   PRODUCTS

Coster machines fill a variety of product forms, from aerosols to sprays and dispensing products:

- Personal Care & Cosmetics: deodorants, shaving gels / foams, sun-screens

- Pharmaceutical: MDIs, nasal sprays, saline solutions, topical aerosols

- Perfumery: perfumes, body sprays

- Home: room fresheners, iron starches, insecticides, dust and spot removers

- Technical: car repair products, paints

In 2021, Coster sold a total of[57]:

4 BN products

74

123

Products LCA

Life Cycle Assessment (LCA) is a methodology to assess the life cycle of a product or of a service, in order to quantify its potential environmental impacts. In 2021 Coster has completed the study "from cradle to grave" for the "Screwed pumps" and in the previous year for the 1" valve LKE, spraycaps and actuators Hydra, Orbit and (predictive) for two custom spraycaps.

These studies have been carried out using the software SimaPro, accomplishing the requirements of the ISO 14040-44 [3-4] and the PCR 36490:2019 for dispensing systems from the International EPD System, System boundaries include upstream-core-downstream processes, Further to primary data, secondary data have been used for the production of raw materials and disposal processes selected from the database Ecoinvent, Goal and Scope definition, Inventory analysis, Impacts Assessment and Interpretation are the followed process steps, resulting in an LCA protocol arranged for gaining the Environmental Product Declaration, The main goal is to provide transparency about the product's global warming potential (IPCC GWP 100a) and to compare the impact change if using virgin PP vs PCR PP, but also acidification, photochemical oxidation, eutrophication, abiotic depletion potential (elements and fossil fuels) and water use have been analysed.

Products recyclability certification

In 2021 Coster continued referring to an Institute qualified for EU-wide certification requests for products verification and examination of recyclability, also opened the discussion for a forthcoming relationship with another highly recognised cross-industry platform representing a global reference for plastic packaging recyclability. Since recyclability is defined by the two parameters of product's composition and the real recycling paths after usage, the recyclability certificate founds on scientifically validated criteria assessed with the main insiders and associations in the packaging manufacture, waste sorting and recycling business. The recyclability rating is between 0% (non-recyclable) and 100% (fully recyclable), where the latter means that the packaging meets all the prerequisites to become, after its usage, a secondary product comparable to a primary product with identical material. This absolute quantified parameter therefore indicates the material ability to close material cycles in established collection and recycling structures, in practice and at scale.

COSTER

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SUSTAINABILITY REPORT 2021 INNOVATION

INNOVATION

2021 has been the year of consolidation for the group function Innovation&Sustainability created in 2020, aimed at discovering sustainable solutions, oriented to look for future needs and created to win with our customers for a common future growth. The ideas generation speed, the contamination with elements of different origin, the glance at all ongoing changes marked by market orientation and direct connection with stakeholders are the values, powered by our technical know-how, on which the organisation is based.

Products innovation

The I&S headquarter is located at our head office in Italy, supported by the Technical Packaging Assistance in Pero (Milan) and the technical centres in the local subsidiaries. The team is structured in the macro-areas of Sustainability, Discovery&Innovation, Technical Development, HSE&Energy, QA, and resorts to:

- skilled teams of designers, project managers and lab technicians,

- PLM software supporting process and document management,

- 3D printing machines for quick prototyping and better project definition in the first crucial proof of concepts steps,

- Filling room, with filling heads manufactured by Coster to reproduce the real conditions at customer's sites with all range of propellants,

- Avant-garde SW and HD technologies, like CAD drawing, mechanical FEM and mould flow simulation, computer 3D tomography, metrology systems with automatic measures acquisition and a complete set of lab instruments also including high speed camera, particle size meter, DSC, FT-IR, climatic cells to reproduce ageing conditions.

Some new developments and product innovations launched or completed in 2021 are listed below, whereas other projects addressed to recyclability, reuse, reduce & replace models have been launched but protected by confidentiality or NDA with customers.

- **ClassYc spray pump**, the premium fragrance spray pump 120 mcl with elegant but innovative aesthetical design,

- **ON-OFF**, the all-in-one system and innovative actuator for perfumery featured with a collar adjustable to bottle and can necks and with a locking function which avoids the use of overcap

- **Childproof overcap**, this feature is achieved by devising two pressure areas on the overcap wall so that two different but simultaneous movements are needed to remove the cap from the can

- **ALBA and ALBA TWIST perfumery pumps**, new superior performance, gasket-free and lower profile masstige and prestige fragrance pumps, available in both crimp on and screw-on versions for refillable perfumes.

- **VEGA**, new premium spraycap with locking mechanism for Deo and AP products

- **GARDA**, new gel actuator

COSTER

SUSTAINABILITY REPORT 2021 INNOVATION
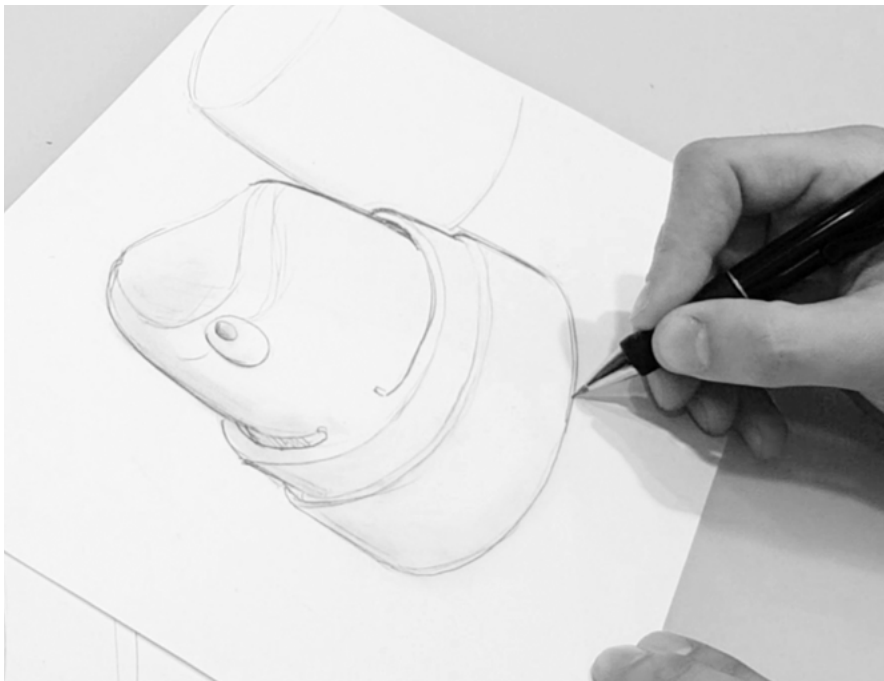
- **HYDRA VORTEX**, the Vortex patented non-micromist insert solution applied to Hydra spraycaps for aerosol nebulization (pilot samples)

- **COSTER-ECO with Milano actuator**: 1" valves and micromist system for compressed air delivery, achieved by conferring specific features to the valves components for good spraying performance with non-VOCs propellants,

- Pharma revolving and nasal actuators,

- New L-shaped and female valves (NLF) actuators,

- New version of female valve optimised for use of paints suitable for graffiti writing

In 2021, the Innovation activity has been focused on the still ongoing developments:

- dispenser and spray pumps full recyclable versions,

- Coster-Eco new applications and versions,

- new refillable solutions and technologies,

- new BOV applications,

- PP inserts,

- digital printing technology for innovative decoration of packaging components

Patents

The following patents have been released in 2021:

- Vela actuator (design patent)

- Actuator system ON-OFF for perfumery pumps

Collaborations

Coster collaborates with universities, associations and institutions for analysis and research:

- the Polymer Science Park in the Netherlands works with the local Coster company at innovation and development for applied plastics technology (with special focus on circular economy, Recycling, 3D Printing, Biobased, Coatings and Smart Materials) and offers complementary services, such as consultancy, trial production, product testing, training/study programmes/workshops and a learning place for students and starters),

- FEA and national committees like AIA, BAMA, CFA to work on technical tables and recycling channels of aerosol plastic packaging,

- TOMRA team of experts to support the study of packaging solutions achieving successful sorting and recycling performance,

- CYCLOS-HTP company, the institute for assessing and certifying the recyclability of packaging and goods,

- PROPLAST, a consortium of companies and R&D organisations specialised in creating and promoting innovative solutions for the plastic industry

COSTER

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SUSTAINABILITY REPORT 2021
INDUSTRY 4.0

INDUSTRY 4.0

Over the years, it has been commonly recognised that the high levels of auto-mation implemented in its facilities are a specific Coster hallmark. It comes from the forward looking and engineering focus of the company where new technol-ogies are constantly being pioneered. This has lead to Industry 4.0 which is seen as a business goal and leverage for growth which forms part of the indus-trial vision.

Keys Enablers for success

- **Connection and networks**: Integration and strong communication between facility systems, plants, equipment, avant-garde M.E.S, with the new SAP 4/Hana, in the direction of paperless facility, within the scope of the Big data aspect. Multi-devices connection.

- **Flexible configuration** of production processes, by the introduction of man-ufacturing cell integrated for injection moulding and in-line assembly, like the second cell for NSCP pump production developed during 2021 in the Italian facility Coster2; Adjustment of the work organisation to the business requirement with shifts schemes in operations; Low capex / timing product customisation options: texture and platform technologies, the latter is the solution used to develop in 2021 the new GARDA actuator in the Italian fa-cility Tecnocoster.

- **Automation** of our factories for operational excellence, injection and as-sembly synchronisation. In 2021 the project DIGIT has been launched in the Italian facility Coster 2, aimed at fully automating the internal logistic and warehouse and implementing the new MES which will be modelled and ex-tended in the other manufacturing sites of the group.

- **In-house facilities** Proprietary assembly machine construction and service by Coster Robotics unit. A SharePoint platform has been implemented in 2021 to provide integrated support for maintenance operations and service at group level; Interconnection with the Machinery Division for an integrat-ed 360° vision at technologies to manufacture and use products;

- **Injection moulding**, we are passionate about moulding. Our pumps, valves and actuators are based on highly engineered plastic components: their perfect interaction requires highest injection precision and consistency. In-jection moulding expertise is a key pilar of industrial excellence, replicated in each of our products.

COSTER

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SALES AND CUSTOMER SERVICE

With its global footprint and worldwide network Coster gives its customers the necessary support in the different areas of interest and is present from the early stages of development to production and final delivery, until the product's end of life.

- The customer care organization provides widespread pre and post-sales assistance for both packaging and machinery, offering the preferred point of contact and answers for all needs concerning products and services offered by Coster.

- The Packaging Technical Assistance is provided by both centralized and local facilities. With more than 2000 tests per year, the lab of Pero is focused to check the compatibility between client's and Coster's products, supporting the customer with the best delivery system selection according to the product formulation, providing training sessions to the customers about aerosol. Compatibility, functionality, swelling, spray rate, spray pattern, flammability, corrosion, sealing, new formulations, optimization of client's formulas and analytical tests, are conducted according to both internal Coster protocols and international standards.

- The Packaging Development Office in Trento focuses on customer development requests and product modifications. Designers, Projects Managers and engineers assist clients throughout all project phases. Among the many laboratory, testing and development tools also rapid prototyping of STL and 3D printing mock-up and inserts fluid-dynamic simulations from "trial and error" to predictive simulation are available.

- The Machinery Division ensures the post sales technical assistance and maintenance service as well as the full set of documentation for operation, maintenance and validation and compliance with safety, Atex and applicable regulations in place.

- In the central Regulatory Office in Trento qualified staff responds to the regulatory, materials compliance and products LCA needs.

- The central Sampling department, part of the technical structure, is equipped with all necessary tooling to arrange the sample orders without disrupting the production processes. Processing more than 5000 sample orders per year, this facility helps the marketing, testing and approval operations at customer side pursuing efficiency and time-competitiveness goals.

- Supply chain and Logistics offer lean and agile support, 360° order management and customer assistance, solutions for special stocks management, support for short time frame launchings, small productions requests, short time deliveries when needed (down to less than one day), global logistic connection.

- QA and Sustainability structures respond to all needs concerning management systems, certifications, audits, complaints, documentation, reports and disclosures on company performances.

- Collaboration by means of strategic partnerships with end-of-line packing machinery providers and complementary machine manufacturers.

Full information about Coster organization, facilities, contacts, products & services are available in the website www.coster.com.

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SUPPLY CHAIN

Adaptability, agility and resilience have become key pillars of Coster Supply Chain strategy[58] to allow our business to survive and thrive in the face of increasing pressures. 2021 was another turbulent year for global supply chains but despite that Coster has maintained its longer-term focus on Sustainable practices to fulfill environmental and social commitments authentically.

The 3-years roadmap for sustainable supply chain
The 3-years roadmap, launched in 2019, continues to deliver as per the original plan. In 2021 we are particularly proud to have achieved the following results.

Sustainable Logistic
Optimization of our logistic flows in Europe:
- Direct deliveries in France and Germany to eliminate intermediate storage
- New central warehouse in Trento to reduce kilometers driven in Italy
- Assessment of transport company for carbon emission strategy

Impact on local communities
Support social inclusion, cultural and economic development in local communities are the means to leverage our global scale remaining locally connected with the territory where we operate. In 2021, 62% of overall Coster's procurement budget was spent on local suppliers

01

02

03

04

Joining forces with local suppliers
share best practices related to sustainable sourcing, waste management, energy efficiencies, etc. with our network of local suppliers and business partners

Warehouse network
Optimization of routes between our production sites and our customers. Comprehensive re-organization of European warehouses has been completed:
- Closure of Stevenage UK warehouse (moving goods to 3PL, closer to production facility)
- Opening of Novaledo central warehouse in Italy (to optimize logistic flows in Italy)
- Closure of Ettlingen DE and Paris FR warehouses (implementing direct deliveries from Italy to Germany and France)

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PROCUREMENT

Coster procurement organization believes in the importance of collaborating with suppliers to face business continuity challenges and safeguard the company's competitiveness. At the same time forging deeper relationships will enable to deliver on sustainability.

Coster purchases goods and services worth more than €130 million from over 1000 suppliers. The suppliers are classified in three main spend categories:

1. Productive Items (PI): that includes Raw Materials, Components and Packaging.

2. Non Productive Items (NPI): that includes spend areas such as Utilities, Equipments and MRO, Logistics, Professional Services, IT & Telecom, Site Materials & Services, Employee Materials & Services.

3. 3rd party manufacturing (3PM): that includes contract manufacturing for moulded and assembled components.

Local suppliers

In 2021, the Group spent 56% of the procurement budget on local suppliers[59] – same country or state that our plants operate - due to the high spending of the two most significant locations of operation, Italian companies (packaging division) spent 74% and Latam company 62%. Moreover, in almost all facilities, we maintained or increased maintain the proportion of spending on local supplier ["Table 28" - p. 110].

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SUSTAINABILITY REPORT 2021
PROCUREMENT
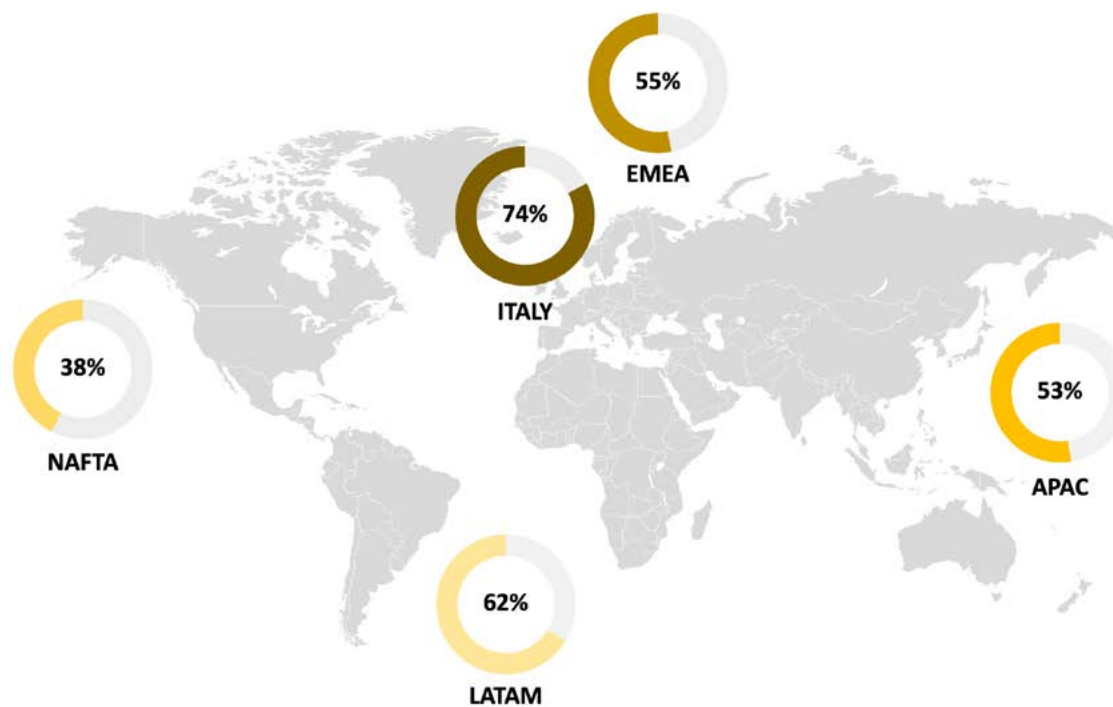
Most of these supplies are from the EU and specifically from Italy[60]. Most of Coster's outsourced suppliers are located in Trentino or nearby, they are sub-contracted to produce plastic components or assembly finished products; with many of them, the company has been maintaining a longstanding relationship, or has supported their growth from a small family scale (also created by former employees) to a more solid and healthy reality.

The definition of significant location of operation is relevant to the consolidated sales, covering a total of 63% of the 2021 Group sales, associated to manufacturing facilities operating in Italy (packaging division) and Latam.

Supplier environmental and social assessment

The CSR audit plan to Coster's productive items and outsourced suppliers has continued in 2021, despite the Covid-19 restrictions reduced the possibility to lead the necessary on-site audits for direct check of the ethical & HSE standards in place. The audit follows the SMETA IV Pillars protocol, with additional H&S requirements taken from ISO45001 and internal Safety audits. Suppliers are rated with scores specific by subject and as general sustainability performance, SWOT analysis and findings list are also issued.

We defined targeted suppliers as the top-15 ones of PI/3PM in the annual Group spend. To be considered that 4 suppliers representing 32% and 25% respectively for Italian and EU total spend turnover are big MNCs which don't accept CSR audits by company policy.

Our aim is that these targeted suppliers have a contract with sustainability and CSR clauses, have accepted our supplier code of conduct and have received

a CSR audit. So far and with the audits carried out in 2021, the results are as follows:

- 93% of these suppliers have accepted our supplier code of conduct.

- 73% have been assessed by a CSR audit (one of them does not accept external audit)

- 53% have signed our supply contract with CSR clauses (some of them impose their own contract)

The audits didn't reveal suppliers identified as having significant actual or potential negative impacts. Local deficiencies have been reported and addressed for both environmental and social aspects. Anyway in an overall picture which doesn't disclose critical situations. No relationships have been terminated with suppliers as a result of the assessment[61].

The audit plan for 2022 aspires to cover 19% of PI/3PM spend turnover at Italian level relevant to the top-15 suppliers which authorise audits on site.

The 100% of Productive Items suppliers (PI) and outsourcers (3PM) in the Vendor-list formally acknowledged the Coster Supplier Code of Conduct by signing the commitment form.

The 3-years roadmap for sustainable sourcing

The 3-years roadmap, launched in 2019, is delivering the expected results. In 2021 we are particularly proud to have achieved the following results.

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60 GRI 204-1
61 GRI 308-2, 414-2

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SUSTAINABILITY REPORT 2021
PROCUREMENT

100% EU
98% Group level

Renewable energy

Sourcing renewable energy where this is offered and available by means of on-site production (solar cells) and direct purchasing of green power from the grid

99%
of the paper used in the office is recycled or FSC

Office materials

The main target is to support the Group Paper Policy and buy paper-based office materials (printer paper, notebooks and envelopes) from either certified sustainable forests or recycled sources.

70%
of the fleet is hybrid

Fleet

We aim to reduce the environmental impact of vehicles we drive and the CO2 emissions of our fleets.

Achieved ISO 20400 from 2019

Certification on sustainable procurement ISO 20400

By implementing ISO 20400, Coster organization contributes positively to society and the economy through making sustainable purchasing decisions and encouraging suppliers and other stakeholders to do the same.

01   03   05   07
02   04   06

Cardboard

The objective to source +90% of the cardboard we use for our boxes from certified sustainably managed forests (FSC, PEFC) or introduce recycled material by 2021

100% EU
92% Group level

Supplier Code of Conduct

This document shall be a reference point for all our suppliers.

94%
of our top suppliers signed

Plastic

We commit to support our customers to reach their goals on plastic packaging to accelerate progress towards the circular economy. To do so we have completed several projects to increase the PCR offering on our products

SUPPLY CHAIN – Roadmap
Publish and pursue the sustainable supply chain roadmap 2022-2026

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RAW MATERIALS

Coster mainly uses polyolefin (PE and PP), acetalyc resin (POM) and master-batches in its production process, Moreover, Coster purchases different components made from plastic (dip-tube), steel (springs and balls), aluminium or tinplate (mounting caps and covers) and rubber (seals/gaskets).

In 2021 Coster continued developing new solutions targeted at Reducing the weights and Replacing materials both with ones less problematic for the recycling streams and with more eco-friendly solutions. This activity falls in the framework of the commitment undertaken for the New Plastic Economy, looks at the wide media resonance given to global trends on the impact packaging has on the environment and supports the customers' campaigns oriented to SDGs.

Products
The main technical projects completed or still ongoing in 2021 are listed below:

- PCR (Post Consumer Recycled) plastics introduced in the following products where the parts are not in direct contact with the product (for regulatory reason of food contact compliance):
    - Hydra spraycap: actuator in PCR.
    - 32MSPUP: pump with overcap & mounting cup PCR.
    - Dip tube V07.12 for 1" valves.
    - Orbit spraycap: actuator in PCR
    - Overcaps V20.109, V20.128 and V20.129: for actuators and pumps.
- Black masterbatch carbon-black free NIR detectable, suitable for sorting streams
- Remove ALU foil from the BOV quadruplex laminate (PET/ALU/OPA/LDPE) film structure. Introduce mono-material laminated film for bag-on-valves, addressed to product recyclability (projects ongoing)
- POM-free clip for NSCP dispenser pumps
- POM removal from LKE valves
- POM-free pumps (stem and ball)

- Design for 100% recyclability of dispensers and spray pumps
- POM-free micromist
- BPA-NI (Not In) alu and tin-plate mounting cups for 1" valves, as alternative to lacquering containing BPA traces

Paper Policy in the offices
It consists of a sustainable sourcing initiative launched to purchasing paper responsibly. Targets are maximizing efficiency by reducing paper consumption wherever possible, maximizing the content of recycled fibers, by using products resulting from the treatment of waste paper (post-consumer). In 2021 Coster achieved a result of 99% of recycled paper use, out of around 1.268.000 sheets, vs annual target of >90%. The total consumption reduction in year 2021 settled at 21% vs 2018.

99%
Recycled paper used in the offices

Total: 1.271.143 sheets
Recycled: 1.268.409 sheets

-21%
Reduction from 2018

2018: 1.892.330 sheets
2021: 1.271.143 sheets
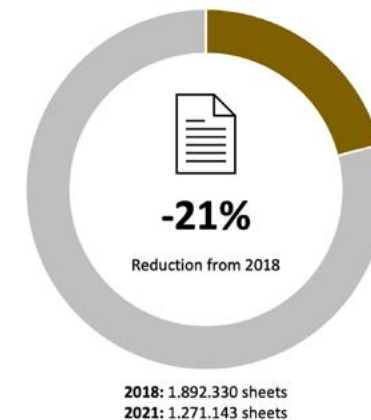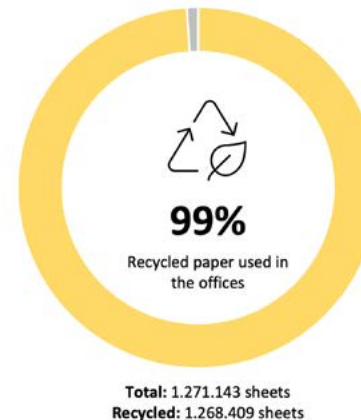
Materials consumption
In this section we show the most representative materials in our company, both those directly involved in production and those involved in distribution. The following quantities are an estimation based on the quantity of single product

COSTER

SUSTAINABILITY REPORT 2021
RAW MATERIALS

category - using as a benchmark ["Table 31" - p. 112] the most representative items in terms of sale and weight - sold by Coster Group in 2021, taking into consideration the weight of each component ["Table 29" - p. 111] and separated by recycled content[62].

Materials involved in production

Renewable materials

Steel — 670 ton
80-90% recycled

Aluminum — 567 ton
60-75% recycled

Tin plate — 5.400 ton
65-75% recycled

Paper — 2.724 ton
58% recycled

No-renewable materials

Plastic resin — 14.130 ton
0% recycled

Rubber — 751 ton
0% recycled

Dip-tube — 1.734 ton
0% recycled

Laminate oil — 218 ton
0% recycled

Materials involved in distribution

2.811 k carboard boxes

59%
recycled fibers
1.671 k boxes

92%
recycled fibers and/or FSC certify
2.598 k boxes
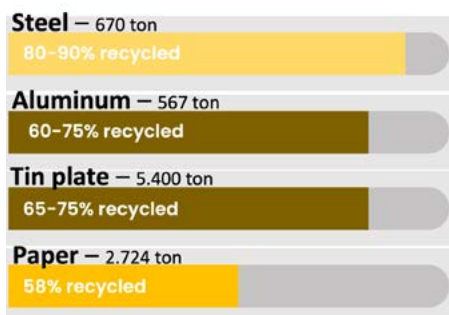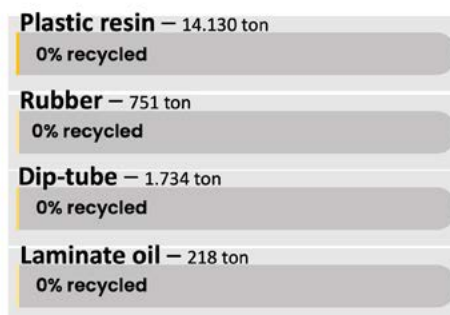
Data interpretation

26.194 Tn of materials used in 2021 correspond to a consumption decrease 1,5% from 2020.

In 2021, Coster used 2.811.580 cardboard boxes ["Table 30" - p. 111] for finished product packaging, with a decrease of 31.616 units (-1%) despite the increase in sales by 3%[63].

The total carboard boxes with recycled fibers amount 1.671.251, increasing 3% in line with the previous year. Instead, the total boxes with recycled fibers and FSC certification are 2.598.031 which represent 92%.

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FACTS & FIGURES

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TABLES INDEX

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SUSTAINABILITY REPORT 2021

ORGANIZATION CHART[64]

COSTER TECNOLOGIE SPECIALI S.p.A.

100%	Costerplast S.r.l.					
100%	Tecnocoster S.r.l.					
50,0%	RxPack S.r.l.					
99,60%	Coster-Tecn. Speciali Gmbh					
100%	Coster Sarl					
100%	Catidom S.A.S.					
100%	Coster Benelux & Scandinavia B.V.					
100%	Costertec SA					
100%	Coster Aerosols Ltd					
100%	Coster India Pack. Pvt Ltd					
100%	Coster (Asia Pacific) Pte Ltd	100%	Costerpack Manuf. Sdn-Bhd	100%	Manivest Sdn-Bhd
100%	Coster USA Inc					
100%	Coster Packaging SAU	4,88%	Coster Pack. do Brasil Ltda		
		95,12%				

SUSTAINABILITY REPORT 2021
TABLE 1: CERTIFICATIONS

TABLE 1: CERTIFICATIONS

PLANT	ISO 9001 (9,12)	ISO 22716-22715 (8,9)	ISO 14001 (4,6,7,8,9, 12, 13,14,15)	ISO 45001 (8,9)	ISO 50001 (7,12,13)	BRC (8,9)	HALAL (9,12)	ISO 26000 (ALL SDGS)	ISO 20400 (1,2,5,8,10 11,12,16)
Pero (HQ&MD)	√							√	√
Coster 1 (Ita)	√		√					√	√
Coster 2 (Ita)	√	√	√					√	√
Coster 3 (Ita)	√	√	√		√			√	√
Coster 4 (Ita)	√	√	√					√	√
Coster Robotics (Ita)								√	√
Central Warehouse (Ita)								√	√
Costerplast (Ita)	√	√	√	√	√			√	√
Tecnocoster (Ita)	√	√						√	√
Coster Sarl (Fr)								√	√
Costertec (Spain)	√	√	√	√	√		√	√	√
Coster Aerosols (UK)	√					√		√	√
Coster B&S (Ned)	√							√	√
Coster GmbH (Ger)								√	√
Coster USA	√		√					√	√
Coster Packaging (Arg)	√	√	√					√	√
Costerpack (Malaysia)	√							√	√
Coster India	√							√	√

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SUSTAINABILITY REPORT 2021
TABLE 2: ENERGY CONSUMPTION

TABLE 2: ENERGY CONSUMPTION

	2018	2019	2020	2021	Δ% 2021 VS 2020
Total electricity consumption (kWh) (purchased from the grid + self consumption)	34.832.539	36.995.750	38.380.935	41.152.930	+7
Total natural gas consumption (kWh)	5.544.872	4.939.399	4.725.555	5.165.643	+9
Total fuel consumption (kWh)	244.699	241.968	195.869	230.440	+18
Energy consumption normalised for the production of 1kg of plastic – avg value for the 10 sites with inj moulding facility (kWh)	2,61	2,35	2,33	2,35	+1
Energy consumption normalised for the assembly of 1000 items – avg value for the 11 sites with assembly process (kWh)	5,00	4,70	4,63	4,55	-2

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SUSTAINABILITY REPORT 2021
TABLE 3: FUELS CONSUMPTION (KWH)

TABLE 3: FUELS CONSUMPTION (kWh)

REGION	PLANT	FUEL TYPE	FUEL UNIT	2018		2019		2020		2021	
EMEA	Coster 1	Natural gas	m³	500.664	8,65%	501.933	9,69%	569.155	11,56%	684.883	12,26%
	Coster 2	Natural gas	m³	1.094.274	18,91%	926.480	17,88%	1.123.262	22,82%	1.256.854	22,50%
	Coster 3	Natural gas	m³	819.818	14,17%	631.888	12,20%	824.095	16,75%	711.812	12,74%
		Diesel oil	lt	1.613	0,03%	0	0,00%	0	0,00%	0	0,00%
	Coster 4	Natural gas	m³	0	0,00%	0	0,00%	0	0,00%	166.451	2,98%
	Coster Robotics	Natural gas	m³	95.741	1,65%	95.346	1,84%	111.739	2,27%	145.846	2,61%
	Pero (HQ & MCH)	Natural gas	kWh	234.080	4,05%	273.380	5,28%	0	0,00%	0	0,00%
	Central Warehouse	Natural gas	m³	0	0,00%	0	0,00%	0	0,00%	304.788	5,46%
	Costerplast	Natural gas	m³	244.530	4,23%	216.033	4,17%	331.131	6,73%	424.813	7,61%
		Diesel oil	lt	2.419	0,04%	4.839	0,09%	0	0,00%	0	0,00%
	TecnoCoster	Natural gas	m³	250.855	4,34%	286.519	5,53%	402.747	8,18%	427.768	7,66%
		Diesel oil	lt	806	0,01%	806	0,02%	806	0,02%	806	0,02%
	Coster Spain	Diesel oil	lt	135.608	2,34%	145.619	2,81%	118.134	2,40%	95.972	2,43%
	Coster France	Natural gas	kWh	103.355	1,79%	133.868	2,58%	146.194	2,97%	151.700	3,10%
	Coster B&S	Natural gas	m³	141.750	2,45%	150.026	2,90%	130.722	2,66%	172.658	3,09%
	Coster Germany	Natural gas	m³	114.213	1,97%	110.747	2,14%	91.326	1,86%	58.392	1,05%
	Coster UK	Natural gas	kWh	1.242.760	21,48%	805.012	15,54%	131.011	2,66%	89.126	1,82%
NAFTA	Coster USA	Natural gas	therm	426.930	7,38%	567.775	10,96%	500.268	10,17%	420.484	8,61%
LATAM	Coster Argentina	Natural gas	m³	271.822	4,70%	240.392	4,64%	363.905	7,39%	150.069	2,69%
		Diesel Oil	lt	15.431	0,27%	23.119	0,45%	22.625	0,46%	55.379	1,40%
APAC	Coster Asia	Any fuel	-	0	0,00%	0	0,00%		0,00%		0,00%
	Coster India	Diesel oil	lt	88.821	1,54%	67.584	1,30%	54.303	1,10%	78.283	1,97%
				5.785.491	**100%**	**5.181.366**	**100%**	**4.921.424**	**100%**	**5.396.083**	**100%**

SUSTAINABILITY REPORT 2021

TABLE 4: ELECTRICITY CONSUMPTION (KWH) INCLUDED SELF-CONSUMPTION

TABLE 4: ELECTRICITY CONSUMPTION (kWh) INCLUDED SELF-CONSUMPTION

REGION	PLANT	2018		2019		2020		2021	
EMEA	Coster 1	2.427.655	6,97%	2.395.830	6,48%	2.280.465	5,97%	2.517.289	6,15%
	Coster 2	6.926.370	19,88%	7.226.665	19,53%	7.971.284	20,87%	8.510.784	20,79%
	Coster 3	3.668.936	10,53%	3.672.921	9,93%	3.688.408	9,66%	3.836.713	9,37%
	Coster 4	0	0,00%	0	0,00%	0	0,00%	544.732	1,33%
	Coster Robotics	32.526	0,09%	24.408	0,07%	33.306	0,09%	50.907	0,09%
	Pero (HQ & MCH)	672.609	1,93%	581.885	1,57%	620.207	1,14%	638.692	1,13%
	Central Warehouse	0	0,00%	0	0,00%	0		100.829	0,18%
	Costerplast	4.142.896	11,89%	4.512.543	12,20%	4.263.716	11,16%	4.223.912	10,32%
	TecnoCoster	3.746.782	10,76%	3.876.847	10,48%	3.470.786	9,09%	3.559.295	8,69%
	Coster Spain	1.452.703	4,17%	1.564.481	4,23%	1.393.570	3,65%	1.531.299	3,74%
	Coster France	48.050	0,14%	44.913	0,12%	38.333	0,10%	34.221	0,08%
	Coster B&S	1.186.354	3,41%	1.261.917	3,41%	1.186.617	3,11%	1.470.468	3,59%
	Coster Germany	18.686	0,05%	17.454	0,05%	16.041	0,04%	20.101	0,05%
	Coster UK	1.134.496	3,26%	2.514.057	6,80%	3.633.051	9,51%	3.498.626	8,55%
NAFTA	Coster USA	626.669	1,80%	530.392	1,43%	602.070	1,58%	698.939	1,71%
LATAM	Coster Argentina	6.062.457	17,40%	5.426.586	14,67%	6.050.741	15,84%	6.154.673	15,03%
APAC	Coster Asia	1.748.685	5,02%	2.328.081	6,29%	2.533.659	6,63%	2.906.735	7,10%
	Coster India	936.665	2,69%	1.016.770	2,75%	598.681	1,57%	854.715	2,09%
		34.832.539	**100%**	**36.995.750**	**100%**	**38.899.290**	**100%**	**41.152.462**	**100%**

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TABLE 5: REDUCTION INITIATIVES PLANNED

SITE	DESCRIPTION	ENERGY TYPE	SCOPE	ANNUAL ENERGY SAVING (KWH)	ANNUAL TON CO2 SAVING	BASELINE	STATUS[65]
Coster 1	Introduction of inverters on raw material aspiration system (Frigel)	Cooling	Scope 1	8.500	3,45	2021	TBI
	Analysis and repair of air leaks on the compressed air line and on the main machineries by a specialized Supplier	Electricity	Scope 2 (LB)	15.000	6,09	2021	UI
Coster 2	Implementation of a monitoring system related to energy consuming centres, building and users-management plants, with automatic and timed on/off regulation system	Electricity	Scope 2 (LB)	4.000	1,62	2020	TBI
	Installation of data loggers for direct detection of energy consumption on every energy consuming centre in the factory; implementation of SW for energy monitoring system	Electricity	Scope 2 (LB)	0	0,00	2020	IC
	Renovation of warehouse and logistic plant system. Replacement of the current fleet of LGVs that have lead-acid batteries with analogues with lithium batteries.	Electricity	Scope 2 (LB)	2.000	0,81	2020	UI
	Environmental improvement (passage from using of R22 to R410 gas)	Cooling	Scope 2 (LB)	0	0,00	2021	TBI
Tecno-coster	Thermal blankets for the moulding machines	Electricity	Scope 2 (LB)	130.000	52,78	2019	UI
	New software to manage the pumps of the cooling system of moulds and moulding machines	Cooling	Scope 2 (LB)	100.000	40,60	2019	TBI
Costerplast	Implementation of a system to detect and remove the compressed air leakages and in the manufacturing departments	Electricity	Scope 2 (LB)	150.000	60,90	2020	IC
	Replacement of the lubrication oil of the compressors with a higher efficiency one.	Electricity	Scope 2 (LB)	19.000	7,71	2020	IC
	Monitoring and integrated management of the air compressors room by Aeria Web Management System.	Electricity	Scope 2 (LB)	1.000	0,40	2020	UI

65 IC: Implementation commenced; TBI: To be implemented; UI: Under investigation

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SUSTAINABILITY REPORT 2021
TABLE 5: REDUCTION INITIATIVES PLANNED

SITE	DESCRIPTION	ENERGY TYPE	SCOPE	ANNUAL ENERGY SAVING (KWH)	ANNUAL TON CO2 SAVING	BASELINE	STATUS[65]
Costertec	Replacement of halogens with LED lamps in the warehouse basement, including sensors for automatic switch on-off	Electricity	Scope 2 (LB)	4.734	1,13	2019	IC
	Use gas instead of fuel for HVAC installation	Heating	Scope 1	0	6,00	2019	UI
	300 kWp PV installation	Electricity	Scope 2 (LB)	366.877	71,40	2021	UI
	Replace all metal halide lamps for LED lamps at one of our manufacturing halls	Electricity	Scope 2 (LB)	25.733	6,12	2021	IC
	Replace last metal halide lamps for LED lamps at one of our manufacturing halls (external lights at valves factory)	Electricity	Scope 2 (LB)	1.314	0,31	2021	IC
	Replace old (40 years) stationary compressor with variable one and its dryer	Electricity	Scope 2 (LB)	48.910	11,64	2021	IC
Coster Packaging Argentina	The initiative consists in the purchase and installation of a new VSD air compressor and relevant dryer and control unit in the facility in Coster Packaging S.A. in Argentina	Electricity	Scope 2 (LB)	109.167	25,69	2019	TBI
Coster India	200 kWp PV installation	Electricity	Scope 2 (LB)	240.000	218,88	2021	TBI
			TOTAL	**1.226.235**	**515,55**		

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TABLE 6: RENEWABLE ENERGY

RENEWABLE ENERGY	2018[1]	2019[1]	2020[1]	2021[2]	Δ% (2021 VS 2020)
Total production – [kWh]	213.471	231.548	226.115	302.877	+34%
Energy self-consumption – [kWh]	171.454	176.788	183.904	214.594	+17%
Energy sold to the grid – [kWh]	42.017	54.760	42.211	88.283	+109%
% of REG on group consumption	0,61%	0,62%	0,59%	0,73%	+24%

1: Pero site only; 2: Pero, Central Warehouse, Coster Robotics.

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TABLE 7: GREEN ENERGY PURCHASE (SELF-CONSUMPTION INCLUDED)

TABLE 7: GREEN ENERGY PURCHASE (SELF-CONSUMPTION INCLUDED)

REGION	PLANT	2018		2019		2020		2021	
EMEA	Coster 1	100%	2.427.655	100%	2.395.830	100%	2.280.465	100%	2.517.289
	Coster 2	100%	6.926.370	100%	7.226.665	100%	7.971.284	100%	8.510.784
	Coster 3	100%	3.668.936	100%	3.672.921	100%	3.688.408	100%	3.836.713
	Coster 4							100%	544.732
	Coster Robotics	100%	32.526	100%	24.408	100%	33.306	100%	38.069
	Pero (HQ & MCH)	25%	171.454	85%	492.993	100%	620.207	100%	462.749
	Central Warehouse							100%	75.016
	Costerplast	100%	4.142.896	100%	4.512.543	100%	4.263.716	100%	4.223.912
	TecnoCoster	100%	3.746.782	100%	3.876.847	100%	3.470.786	100%	3.559.295
	Coster Spain	0%	0	90%	1.408.695	100%	1.393.570	100%	1.531.299
	Coster France	0%	0	10%	4.703	100%	38.333	100%	34.221
	Coster B&S	0%	0	0%	0	100%	1.186.617	100%	1.470.468
	Coster Germany	100%	18.686	100%	17.454	100%	16.041	100%	20.101
	Coster UK	0%	0	30%	749.525	100%	3.633.051	100%	3.498.626
NAFTA	Coster USA	0%	0	0%	0	28%	171.456	100%	698.939
LATAM	Coster Argentina	0%	0	11%	591.728	16%	987.309	100%	6.154.673
APAC	Coster Asia	0%	0	0%	0	100%	2.533.659	100%	2.906.735
	Coster India	0%	0	0%	0	0%	0	0%	0
		61%	**21.135.305**	**68%**	**24.974.312**	**84%**	**32.104.304**	**98%**	**40.083.621**

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TABLE 8: CO_{2e} EMISSIONS

EMISSION TARGET TYPE	SCOPE	RESULT 2018	RESULT 2019	RESULT 2020	RESULT 2021	Δ% 2021-2020
Absolute	1	1.089	979	905	**988**	+9%
Absolute - Location Based	2	14.753	15.922	16.408	**17.751**	+8%
Absolute - Market Based	2	6.713	5.938	2.559	**780**	-70%
Absolute	3	-	-	194.787	**161.632**	-17%
Absolute	1 + 2 (Market Based)	7.803	6.917	3.463	**1.768**	-49%
Intensity (normalized): Tn CO2e per mln of product units sold	2 (Location Based)	4,25	3,73	3,91	**4,11**	+5%

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TABLE 9: SCOPE 1 EMISSIONS (TN CO2E)

TABLE 9: SCOPE 1 EMISSIONS (Tn CO_{2e})

REGION	PLANT	2018		2019		2020		2021	
EMEA	Coster 1	88,574	8,13%	88,798	9,07%	100,690	11,13%	121,164	12,26%
	Coster 2	193,590	17,77%	163,906	16,74%	198,719	21,97%	222,353	22,50%
	Coster 3	145,036	13,31%	111,789	11,42%	145,792	16,12%	125,928	12,74%
		0,403	0,04%	0,000	0,00%	0,000	0,00%	0,000	0,00%
	Coster 4	0,000	0,00%	0,000	0,00%	0,000	0,00%	29,447	2,98%
	Coster Robotics	16,938	1,55%	16,868	1,72%	19,768	2,19%	25,802	2,61%
	Pero (HQ & MCH)	47,317	4,34%	55,261	5,64%	0,000	0,00%	0,000	0,00%
	Central Warehouse	0,000	0,00%	0,000	0,00%	0,000	0,00%	53,921	5,46%
	Costerplast	43,260	3,97%	38,219	3,90%	58,581	6,48%	75,155	7,61%
		0,604	0,06%	1,208	0,12%	0,000	0,00%	0,000	0,00%
	TecnoCoster	44,379	4,07%	50,689	5,18%	71,251	7,88%	75,677	7,66%
		0,201	0,02%	0,201	0,02%	0,201	0,02%	0,201	0,02%
	Coster Spain	33,864	3,11%	36,364	3,71%	29,500	3,26%	23,966	2,43%
	Coster France	18,321	1,68%	27,060	2,76%	29,611	3,27%	30,665	3,10%
	Coster B&S	25,077	2,30%	26,541	2,71%	23,126	2,56%	30,545	3,09%
	Coster Germany	20,186	1,85%	19,592	2,00%	16,189	1,79%	10,330	1,05%
	Coster UK	251,212	23,06%	162,725	16,62%	26,483	2,93%	18,016	1,82%
NAFTA	Coster USA	86,331	7,93%	114,809	11,73%	101,159	11,18%	85,027	8,61%
LATAM	Coster Argentina	48,089	4,41%	42,528	4,34%	64,379	7,12%	26,549	2,69%
		3,853	0,35%	5,773	0,59%	5,650	0,62%	13,829	1,40%
APAC	Coster Asia		0,00%	0	0,00%	0	0,00%	0,000	0,00%
	Coster India	22,108	2,03%	16,822	1,72%	13,561	1,50%	19,485	1,97%
		1.089	**100%**	**979**	**100%**	**905**	**100%**	**988**	**100%**

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TABLE 10: SCOPE 2 EMISSIONS (Tn CO$_{2e}$)

REGION	PLANT	2018 LOCATION	2018 MARKET	2019 LOCATION	2019 MARKET	2020 LOCATION	2020 MARKET	2021 LOCATION	2021 MARKET
EMEA	Coster 1	985,628	0,000	972,707	0,000	925,869	0,000	1.022,019	0,000
	Coster 2	2.812,106	0,000	2.934,026	0,000	3.236,341	0,000	3.455,378	0,000
	Coster 3	1.489,588	0,000	1.491,206	0,000	1.497,494	0,000	1.557,705	0,000
	Coster 4							221,161	0,000
	Coster Robotics	13,206	0,000	9,910	0,000	13,522	0,000	15,456	0,000
	Pero (HQ & MCH)	203,469	203,469	164,469	36,090	177,139	0,000	187,876	0,000
	Central Warehouse							30,456	0,000
	Costerplast	1.682,016	0,000	1.832,092	0,000	1.731,069	0,000	1.714,908	0,000
	TecnoCoster	1.521,193	0,000	1.574,000	0,000	1.409,139	0,000	1.445,074	0,000
	Coster Spain	345,743	566,554	372,346	59,199	331,670	0,000	364,449	0,000
	Coster France	2,744	2,744	2,565	2,296	2,296	0,000	2,050	0,000
	Coster B&S	492,337	492,337	523,696	523,696	492,446	0,000	610,050	0,000
	Coster Germany	8,614	0,000	8,046	0,000	7,395	0,000	9,267	0,000
	Coster UK	518,464	518,464	1.148,924	499,865	1.660,304	0,000	1.598,872	0,000
NAFTA	Coster USA	327,121	579,230	276,865	422,674	314,281	154,504	364,846	0,000
LATAM	Coster Argentina	2.224,922	2.224,922	1.991,557	1.774,393	2.220,622	1.858,280	2.258,765	0,000
APAC	Coster Asia	1.271,294	1.271,294	1.692,515	1.692,515	1.841,970	0,000	2.113,196	0,000
	Coster India	854,238	854,238	927,294	927,294	545,997	545,997	779,500	779,500
		14.753	**6.713**	**15.922**	**5.938**	**16.408**	**2.559**	**17.751**	**780**

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TABLE 11: SCOPE 3 EMISSIONS (Tn CO$_{2e}$)[66]

CATEGORY NAME	2020 Tn CO2e	2021 Tn CO2e	Δ 2021 vs 2020
Purchased goods and services (Production materials and consumables. Packaging materials, Water, Office Paper)	170.040,50	140.115,76	-18%
Fuel- and energy-related activities (Upstream emissions of electricity, Upstream emissions of heating/cooling)	1.967,10	2.396,53	+22%
Upstream transportation and distribution (Inbound logistics, intralogistics)	4.654,80	8.998,88	+93%
Waste generated in operations (Waste treatment)	209,40	211,30	1%
Business travel (Rental cars/private vehicles, flights)	464,90	464,95	0%
Employee commuting (Employee commuting and teleworking)	3.007,50	1.514,37	-50%
Downstream transportation and distribution (outbound logistics)	14.441,60	7.929,92	-45%
	194.785,8	**161.631,70**	**-17%**

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TABLE 12: WATER CONSUMPTION

TABLE 12: WATER CONSUMPTION

	2018 m³	2019 m³	2020 m³	2021 m³	Δ% 2021 VS 2020
Total water usage (input)	626.090	618.573	590.919	636.166	+8
Total volume of water withdrawn by Ground water (return to nature)	611.907	603.054	578.028	622.159	+8
Total volume of water consumed by Municipal water or other public or private water utilities	14.183	15.519	12.891	13.208	+9
Intensity KPI: [m³/1000 units sold]	0,180	0,145	0,141	0,147	+4%

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TABLE 13: WASTE MANAGEMENT

TABLE 13: WASTE MANAGEMENT

	2018 Tn	2019 Tn	2020 Tn	2021 Tn	Δ% 2021 VS 2020
Total Waste	2.753	2.409	2.679	2.763	+3
Total hazardous waste	200	193	281	307	+9
Of which sent to disposal	5	6	69	39	-43
Of which sent to recycling	195	187	212	268	+26
Transport of hazardous waste	0	0	0	0	-
Total non hazardous waste	2.553	2.216	2.398	2.456	+2
Of which sent to landfill	340	100	157	106	-32
Of which sent to recovery, including energy recovery	151	134	201	88	-56
Of which sent to incineration (mass burn), without energy recovery	70	100	0	0	-
Of which sent to recycling	1.992	1.882	2.040	2.262	+11
Intensity KPI: tot waste normalized by number of sold finished parts * 1000 [kg/1000 units sold]	0,79	0,56	0,64	0,64	-

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TABLE 14: TOTAL WORKFORCE BY GENDER

YEAR	MALE	FEMALE	TOTAL
2021	751	229	980
2020	760	223	983
2019	723	223	946
2018	748	230	978

TABLE 15: WORKFORCE BY GEOGRAPHIC AREA AND GENDER

YEAR	EMEA	NAFTA	LATAM	APAC
2021	597 (441M-156F)	35 (22M-13F)	143 (130M-13F)	205 (155M-50F)
2020	608 (447M-161F)	35 (22M-13F)	140 (127M-13F)	200 (164M-36F)
2019	571 (416M-155F)	23 (13M-10F)	136 (124M-12F)	216 (170M-46F)
2018	587 (421M-166F)	22 (14M-8F)	136 (124M-12F)	233 (189M-44F)

TABLE 16: WORKFORCE BY GEOGRAPHIC AREA AND CONTRACT (PERMANENT OR TEMPORARY)

YEAR	EMEA	NAFTA	LATAM	APAC
2021	597 (577P-20T)	35 (32P-3T)	143 (143P-0T)	205 (205P-0T)
2020	608 (576P-32T)	35 (26P-9T)	140 (140P-0T)	200 (200P-0T)
2019	571 (524P-47T)	23 (22P-1T)	136 (136P-0T)	216 (216P-0T)
2018	587 (538P-49T)	22 (21P-1T)	136 (136P-0T)	233 (233P-0T)

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TABLE 17: WORKFORCE BY GENDER AND CONTRACT

YEAR	MALE	FEMALE	TOTAL
2021	748 (739P-9T)	232 (218P-14T)	980 (957P-23T)
2020	760 (741P-19T)	223 (201P-22T)	983 (942P-41T)
2019	723 (702P-21T)	223 (196P-27T)	946 (898P-48T)
2018	749 (721P-28T)	229 (207P-22T)	978 (928P-50T)

TABLE 18: NEW HIRES BY GENDER (NBR & RATIO)

YEAR	MALE	FEMALE	TOTAL
2021	110 (0,15)	99 (0,43)	209 (0,21)
2020	105 (0,14)	49 (0,22)	154 (0,16)
2019	76 (0,11)	63 (0,28)	139 (0,15)
2018	109 (0,15)	50 (0,22)	159 (0,16)

TABLE 19: NEW HIRES BY AGE (NBR & RATIO)

AGE	2018	2019	2020	2021
Under 30	89 (-)	66 (-)	66 (-)	87 (0,61)
30-50	59 (-)	61 (-)	73 (-)	105 (0,19)
Over 50	11 (-)	12 (-)	15 (-)	17 (0,06)

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TABLE 20: NEW HIRES BY GENDER &GEOGRAPHIC AREA (NBR & %)

YEAR	EMEA		NAFTA		LATAM		APAC		TOTAL	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
2021	46 (10%)	28 (18%)	10 (45%)	38 (23%)	13 (10%)	1 (8%)	41 (26%)	67 (134%)	110 (15%)	99 (43%)
2020	72 (16%)	33 (20%)	4 (18%)	4 (31%)	8 (6%)	2 (15%)	21 (13%)	10 (28%)	105 (14%)	49 (22%)
2019	51 (12%)	25 (23%)	3 (23%)	5 (50%)	6 (5%)	0 (0%)	16 (9%)	23 (50%)	76 (11%)	63 (28%)
2018	68 (16%)	33 (20%)	3 (21%)	3 (38%)	13 (10%)	1 (8%)	25 (13%)	13 (30%)	109 (15%)	50 (22%)

TABLE 21: TURNOVER NUMBER & RATE BY SITE AND AGE GROUP

YEAR	EMEA		NAFTA		LATAM		APAC		TOTAL	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
2021	29 (7%)	37 (24%)	10 (45%)	3 (23%)	11 (8%)	1 (8%)	40 (26%)	45 (90%)	90 (12%)	86 (37%)
2020	54 (12%)	26 (16%)	3 (14%)	2 (15%)	1 (1%)	7 (54%)	50 (30%)	7 (19%)	108 (15%)	42 (22%)
2019	24 (6%)	20 (13%)	1 (8%)	3 (30%)	5 (4%)	0 (0%)	28 (16%)	18 (39%)	58 (8%)	41 (18%)
2018	39 (9%)	14 (8%)	3 (21%)	2 (25%)	6 (5%)	2 (17%)	61 (32%)	9 (20%)	109 (15%)	27 (12%)

TABLE 22: TURNOVER NUMBER & RATE BY AGE GROUP

AGE	2021
Under 30	64 (0,45)
30-50	68 (0,12)
Over 50	44 (0,15)

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TABLE 23: TRAINING HOURS AND AVERAGE BY GENDER

YEAR	HOURS OF TRAINING	AVG HOURS MALE	AVG HOURS FEMALE
2021	15.727	17,87	10,07
2020	9.103	10,28	6,72
2019	20.166	23,28	12,91
2018	24.108	25,59	11,76

TABLE 24: HIGH CONSEQUENCES WORK RELATED INJURIES

PLANT	2018 MALE	2018 FEMALE	2019 MALE	2019 FEMALE	2020 MALE	2020 FEMALE	2021 MALE	2021 FEMALE
Coster 1 (CTS SPA)	1	0	0	0	0	0	0	0
Coster 2 (CTS SPA)	1	1	1	1	1	0	3	0
Coster 3 (CTS SPA)	0	0	1	0	0	0	0	0
Coster 4 (CTS SPA)	-	-	-	-	-	-	0	0
Pero HQ (CTS SPA)	0	0	0	0	0	0	0	0
Pero MAC (CTS SPA)	0	0	0	0	0	0	1	0
Coster Robotics (CTS SPA)	0	0	0	0	0	0	0	0
Central Warehouse	-	-	-	-	-	-	0	0
Tecnocoster	0	0	0	0	0	0	1	0
Costerplast	0	0	0	0	0	0	1	0
Costertec	1	0	1	0	1	0	0	0
Coster B&S	0	0	0	0	0	0	1	0

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PLANT	2018		2019		2020		2021	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Coster Ltd	0	0	1	0	0	0	1	0
Coster GMBH	0	0	0	0	0	0	0	0
Coster SARL	1	0	0	0	1	0	0	0
Coster USA	0	0	0	0	0	0	0	0
Coster Packaging	1	0	5	0	0	0	5	0
Costerpack Manufacturing	1	0	0	0	0	0	0	0
Coster India	0	0	0	0	0	0	0	0
TOT	**6**	**1**	**9**	**1**	**3**	**0**	**13**	**0**

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TABLE 25: FREQUENCY RATIO

SITE	2018	2019	2020	2021
Coster Tecnologie Speciali SPA	9,3	3,1	5,8	6,7
Costerplast (Italy)	0,0	0,0	0,0	16,6
Tecnocoster (Italy)	0,0	0,0	0,0	17,1
Coster SARL (France)	32,3	36,6	0,0	0,0
Costertec (Spain)	11,9	9,1	9,0	0,0
Coster Ltd. (UK)	0,0	0,0	11,0	16,0
Coster B&S (Netherland)	0,0	0,0	0,0	22,9
Coster GMBH (Germany)	0,0	0,0	0,0	0,0
Coster USA Inc.	0,0	0,0	0,0	0,0
Coster Packaging, S.A. (Argentina)	3,8	0,0	17,9	16,8
Costerpack Manufacturing, Sdn Bhd (Malaysia)	6,0	0,0	0,0	0,0
Coster India Packaging, Pvt Ltd	0,0	0,0	0,0	0,0
TOTAL	**3,3**	**1,5**	**4,3**	**5,8**

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TABLE 26: SEVERITY RATIO

SITE	2018	2019	2020	2021
Coster Tecnologie Speciali SPA	0,04	0,02	0,07	0,03
Costerplast (Italy)	0,00	0,00	0,00	1,20
Tecnocoster (Italy)	0,00	0,00	0,00	2,95
Coster SARL (France)	2,59	0,55	0,00	0,00
Costertec (Spain)	0,12	0,02	0,12	0,00
Coster Ltd. (UK)	0,00	0,00	0,01	0,02
Coster B&S (Netherland)	0,00	0,00	0,00	0,02
Coster GMBH (Germany)	0,00	0,00	0,00	0,00
Coster USA Inc.	0,00	0,00	0,00	0,00
Coster Packaging, S.A. (Argentina)	0,14	0,00	0,17	0,30
Costerpack Manufacturing, Sdn Bhd (Malaysia)	0,01	0,00	0,00	0,00
Coster India Packaging, Pvt Ltd	0,00	0,00	0,00	0,00
TOTAL	**0,07**	**0,01**	**0,04**	**0,16**

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TABLE 27: ABSENTEE RATE

SITE	2018		2019		2020		2021	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Coster Tecnologie Speciali SPA	5,19	9,13	13,97	11,51	9,62	8,53	18,68	18,25
Costerplast (Italy)	6,54	6,00	6,00*	0,02	6,54*	0,07	23,58	0,63
Tecnocoster (Italy)	3,02	5,51	5,51*	0,13	3,02*	0,04	18,03	0,52
Coster SARL (France)	7,25	8,80	0,67	2,11	1,23	2,06	0,00	0,02
Costertec (Spain)	1,39	2,62	0,10	3,43	0,39	3,29	5,52	0,37
Coster Ltd. (UK)	0	0	0,01	0	0,06	0,01	6,00	0,29
Coster B&S (Holland)	4,46	1,08	1,08*	2,29	4,46*	3,82	4,99	0,09
Coster GMBH (Germany)	0,92	5,93	2,48	3,20	2,96	3,10	8,30	0,04
Coster USA Inc.	0	0	0	0	0	0	0,23	0,00
Coster Packaging, S.A. (Argentina)	1,39	1,32	1,76	12,71	1,80	5,16	5,47	0,80
Costerpack Manufacturing, Sdn Bhd (Malaysia)	5,66	3,14	6,38	0,14	5,16	0,02	0,84	0,10
Coster India Packaging, Pvt Ltd	12,00	8,00	9,00	5,86	14,50	17,27	10,45	2,62

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TABLE 28: PROCUREMENT BUDGET ON LOCAL SUPPLIERS

SITE	2018	2019	2020	2021
Coster Tecnologie Speciali SPA	71	73	65	74
Costerplast	42	47	48	65
Tecnocoster	36	60	81	88
Costertec	43	44	40	41
Coster Ltd	11	11	-	17
Coster B&S	15	15	15	19
Coster USA	10	10	14	38
Coster Packaging	76	62	65	62
Costerpack Manufacturing	100	100	100	92
Coster India	38	38	33	32
Coster Sarl and Coster GmbH	≤ 5			

Note: by Local it is usually meant the same Country where the facility operates.

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TABLE 29: TOTAL MATERIAL USED (Tn) AND % RECYCLED

MATERIAL	2018		2019		2020		2021	
	TOTAL (Tn)	% OF RECY-CLED	TOTAL (Tn)	% OF RECY-CLED	TOTAL (Tn)	% OF RECY-CLED	TOTAL (Tn)	% OF RECY-CLED
Steel	603	80 - 90	629	80 - 90	631	80 - 90	670	80 - 90
Aluminium	530	60 - 75	543	60 - 75	522	60 - 75	567	60 - 75
Tin plate	5.539	65 - 75	5.581	65 - 75	5.529	65 - 75	5.400	65 - 75
Paper	2.327	60	2.563	58	2.851	56	2.724	58
Plastic resin	10.747	0	11.760	0	14.306	0	14.130	0
Rubber	754	0	758	0	755	0	751	0
Dip-tube (included in plastic resin)	1.780	0	1.729	0	1.766	0	1.734	0
Laminate foil	236	0	232	0	226	0	218	0

For metallic materials (steel, aluminum, tin plate), the data of recycled input material used in percentage has been provided by the suppliers enquired on purpose.

TABLE 30: CARBOARD RECYCLED

PLANT	2018	2019	2020	2021
Nbr box used	2.319.157	2.555.206	2.843.196	2.811.580
% recycled fibers	60%	58%	56%	59%
% recycled fibers and/ or FSC	-	-	81%	92%
Nr box recycled	1.383.039	1.479.757	1.596.725	1.671.251
Nr recycled fibers and/or FSC	-	-	2.297.119	2.598.031

For boxes, the data result from the total number of cardboard boxes used, the assumption of average weight of 1 Kg per box or 7 Kg per pallbox (also based on data) and the % of recycled fibers used in cardboard declared by the box suppliers. These data have been provided by each facility enquired. If more box suppliers

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have been used in the same site, and the % of recycled paper vary among suppliers, it has been considered the allocation of supplies to every supplier or, if not possible, the average recycle % among the different suppliers.

TABLE 31: BENCHMARK ITEM USED PER CATEGORY GROUP

PRODUCT GROUP	VALVES	DISPENSERS	SPRAY PUMPS	PERFUMERY PUMPS	SPRAY CAPS	SPECIAL ACTUA-TORS	ACTUATORS
Benchmark item	*NKPM 125.827 150LPS *NKWBU 470.834 + V14146/141 20 D 6/100 *11% Alu and 89% tinplate m.cups	SCP199/2000 + V05.1571 + V07.5 120LPS 54,7% Steel ball V16.76, 45,3% ball POM V16.227	GMSP 312/100 + V08.57 + V04.1442 + V20.5 PP 168 LPS	15 MPE 56/90 + V04.1224 + V01.160 100LPS	V21.88/222	V21.140/82 (Petal) V21.136/xx (Po-laris) V18.85 (Zapata)	V04.702

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GRI CONTENT INDEX

GRI CONTENT INDEX[67]

The GRI Content Index is made up of two parts. The first contains references to the disclosures reported in accordance with the core option[68], based on the materiality analysis carried out in the reporting year. The second contains references to additional GRI disclosures that complete the outline of Coster's performance.

For each disclosure, the page number refers to the 2021 Sustainability Report.

STANDARD	REPORTING REQUIREMENT	COSTER'S RESPONSE
GRI 102 GENERAL DISCLOSURES		
102-1	Name Of The Organization	Pag. 16
102-2	Activities, Brands, Products, And Services	Pag. 16, 71
102-3	Location Of Headquarters	Pag. 16
102-4	Location Of Operations	Pag. 16
102-5	Ownership And Legal Form	Pag. 23
102-6	Markets Served	Pag. 16
102-7	Scale Of The Organization	Pag. 16,26, 62, 73
102-8	Information On Employees And Other Workers	Pag. 23, 62
102-9	Supply Chain	Pag. 79
102-10	Significant Changes To The Organization And Its Supply Chain	Pag. 11
102-11	Precautionary Principle Or Approach	Pag. 33
102-12	External Initiatives	Pag. 36
102-13	Membership Of Associations	Pag. 27, 61
STRATEGY		
102-14	Statement From Senior Decision-Maker	Pag. 2
102-15	Key impacts, risks, and opportunities	Pag. 42

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STANDARD	REPORTING REQUIREMENT	COSTER'S RESPONSE
	GRI 102 GENERAL DISCLOSURES	
ETHICS AND INTEGRITY		
102-16	Values, Principles, Standards, and Norms of Behavior	Pag. 17, 33
102-17	Mechanisms for advice and concerns about ethics	Pag. 29
GOVERNANCE		
102-18	Governance Structure	Pag. 24
102-19	Delegating authority	Pag. 24
102-20	Executive-level responsibility for economic, environmental, and social topics	Pag. 24
102-21	Consulting stakeholders on economic, environmental, and social topics	Pag. 18
102-22	Composition of the highest governance body and its committees	Pag. 23
102-23	Chair of the highest governance body	Pag. 23
102-24	Nominating and selecting the highest governance body	Pag. 23
102-25	Conflicts of interest	Pag. 28
102-26	Role of highest governance body in setting purpose, values, and strategy	Pag. 23
102-30	Effectiveness of risk management processes	Pag. 42
102-31	Review of economic, environmental, and social topics	Pag. 23
102-32	Highest governance body's role in sustainability reporting	Pag. 3
102-33	Communicating critical concerns	Pag. 29
102-34	Nature and total number of critical concerns	Pag. 29
102-35	Remuneration policies	Coster complies with all labor laws in each of the countries in which we operate.
102-36	Process for determining remuneration	Coster complies with all labor laws in each of the countries in which we operate.

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STANDARD	REPORTING REQUIREMENT	COSTER'S RESPONSE
	GRI 102 GENERAL DISCLOSURES	
STAKEHOLDER ENGAGEMENT		
102-40	List Of Stakeholder Groups	Pag. 18
102-41	Collective Bargaining Agreements	Pag. 31
102-42	Identifying And Selecting Stakeholders	Pag. 18
102-43	Approach To Stakeholder Engagement	Pag. 18
102-44	Key Topics And Concerns Raised	Pag. 20
REPORTING PRACTICE		
102-45	Entities Included In The Consolidated Financial Statements	Pag. 86
102-46	Defining Report Content And Topic Boundaries	Pag. 16
102-47	List Of Material Topics	Pag. 20
102-48	Restatements Of Information	Pag. 3
102-49	Changes In Reporting	Pag. 3
102-50	Reporting Period	Pag. 3
102-51	Date Of Most Recent Report	Pag. 3
102-52	Reporting Cycle	Pag. 3
102-53	Contact Point For Questions Regarding The Report	Pag. 3
102-54	Claims Of Reporting In Accordance With The Gri Standards	Pag. 112
102-55	Gri Content Index	Pag. 112
102-56	External assurance	No external assurance in place.

GRI 103 MANAGEMENT APPROACH

103-1	Explanation of the material topic and its boundary	Pag. 21
103-2	The management approach and its components	Pag. 9, 10, 11, 16, 17, 20, 23, 28, 29

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GRI CONTENT INDEX

GRI 103 MANAGEMENT APPROACH

| 103-3 | Evaluation of the management approach | Pag. 9, 10, 11, 16, 17, 20, 23, 28, 29, 39 |

GRI 201 ECONOMIC PERFORMANCE

| 201-1 | Direct economic value generated and distributed | Pag. 26, the revenue was: 233.771 €. |
| 201-4 | Financial assistance received from government | Pag. 26, 80 |

GRI 202: MARKET PRESENCE

| 202-2 | Proportion of senior management hired from the local community | Pag. 62 |

GRI 203 INDIRECT ECONOMIC IMPACTS

| 203-1 | Infrastructure investments and services supported | Coster has never supported the development of infrastructure investments and services. |

GRI 204 PROCUREMENT PRACTICES

| 204-1 | Proportion of spending on local suppliers | Pag. 80, 81 |

GRI 205 ANTI-CORRUPTION

205-1	Operations assessed for risks related to corruption	Pag. 29
205-2	Communication and training about anti-corruption policies and procedures	Pag. 30
205-3	Confirmed incidents of corruption and actions taken	In 2021 Coster does not have: • any confirmed incidents of corruption. • any confirmed incidents in which employees were dismissed or disciplined for corruption. • any confirmed incidents when contracts with business were terminated or not renewed due to violations related to corruption. • any public legal cases regarding corruption brought against the organization or its employees during the reporting period.

GRI 206: ANTI-COMPETITIVE BEHAVIOUR

| 206-1 | Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices | Pag. 30, In 2021 Coster did not receive any legal action related to these issues. |

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GRI CONTENT INDEX

GRI 301 MATERIALS

301-1	Materials used by weight or volume	Pag. 84
301-2	Recycled input materials used	Pag. 84

GRI 302 ENERGY

302-1	Energy consumption within the organization	Pag. 47
302-3	Energy intensity	Pag. 48
302-4	Reduction of energy consumption	Pag. 48

GRI 303 WATER

303-3	Water withdrawal	Pag. 53
303-5	Water consumption	Pag. 53

GRI 304 BIODIVERSITY

304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Pag. 56

GRI 305 EMISSIONS

305-1	Direct (Scope 1) GHG emissions	Pag. 51
305-2	Energy indirect (Scope 2) GHG emissions	Pag. 51
305-3	Other indirect (Scope 3) GHG emissions	Pag. 51, 98
305-4	GHG emissions intensity	Pag. 52
305-5	Reduction of GHG emissions	Pag. 48

GRI 306 WASTE

306-2	Management of significant waste-related impacts	Pag. 54
306-3	Waste generated	Pag. 54
306-4	Waste diverted from disposal	Pag. 54

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GRI 306 WASTE

306-5	Waste directed to disposal	Pag. 54

GRI 307 ENVIRONMENT COMPLIANCE

307-1	Non-compliance with environmental laws and regulation	Pag. 60, In 2021 Coster did not receive any legal action related to these issues.

GRI 308 SUPPLIER ENVIRONMENTAL ASSESSMENT

308-1	New suppliers that were screened using environmental criteria	In 2021, 3 new suppliers were screened upon environmental criteria that represents 20% of our targeted suppliers.
308-2	Negative environmental impacts in the supply chain and actions taken	Pag. 81

GRI 401 EMPLOYMENT

401-1	New employee hires and employee turnover	Pag. 64

GRI 402 LABOUR / MANAGEMENT RELATIONS

402-1	Minimum notice periods regarding operational changes	In the European Union (EU), the Council Directive 01/23/EC stipulates that in the event of a transfer of businesses, plants, or parts of businesses or plants, as a result of a contractual sale or merger, an information and consultation procedure must be conducted with employee representatives. The procedure must be initiated a reasonable period of time prior to the transfer. Moreover, the Council Directive 98/59/EC on the approximation of the laws of the EU member states relating to collective redundancies requires the employer to hold consultations with workers' representatives whenever collective redundancies are being contemplated. For this reason, Coster's notice period is of 90 days (3 months)

GRI 403: OCCUPATIONAL HEALTH AND SAFETY

403-4	Worker participation, consultation, and communication on occupational health and safety	Where committees exist, they meet periodically (4 times a year) and take decisions regarding H&S actions.

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GRI 403: OCCUPATIONAL HEALTH AND SAFETY

403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Coster relies on its integrated policy to prevent or mitigate significant negatives occupational health and safety impacts that are directly related to your operations, products or services for their business relationships, and related hazards and risks.
403-9	Work-related injuries	Pag. 68

GRI 404 TRAINING AND EDUCATION

404-1	Average hours of training per year per employee	Pag. 65

GRI 405 DIVERSITY AND OPPORTUNITY

405-2	Ratio of basic salary and remuneration of women to men	Pag. 65

GRI 406 NON-DISCRIMINATION

406-1	Incidents of discrimination and corrective actions taken	During the reporting period, there were no cases of discrimination identified by or notified to Coster.

GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Pag. 31

GRI 408 CHILD LABOR

408-1	Operations and suppliers at significant risk for incidents of child labor	Pag. 32

GRI 409: FORCED OR COMPULSORY LABOR

409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Pag. 32

GRI 410: SECURITY PRACTICES

410-1	Security personnel trained in human rights policies or procedure	100% of security personnel, where employed, have received formal training in human rights policies and procedures and their application to security

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GRI CONTENT INDEX

GRI 411: RIGHTS OF INDIGENOUS PEOPLES

411-1	Incidents of violations involving rights of indigenous peoples	During the reporting period, there were no Incidents of violations involving rights of indigenous peoples

GRI 412: HUMAN RIGHTS ASSESSMENT

412-1	Operations that have been subject to human rights reviews or impact assessments	Pag. 66
412-2	Employee training on human rights policies or procedures	Pag. 65

GRI 413: LOCAL COMMUNITIES

413-1	Operations with local community engagement, impact assessments, and development program	Pag. 59
413-2	Operations with significant actual and potential negative impacts on local communities	Pag .59

GRI 414: SUPPLIER SOCIAL ASSESSMENT

414-1	New suppliers that were screened using social criteria	In 2021, 3 new suppliers were screened upon environmental criteria that represents 20% of our targeted suppliers.
414-2	Negative social impact in the supply chain and actions taken	Pag. 81

GRI 415: PUBLIC POLICY

415-1	Political contributions	Coster Group does not support with donations any political party or political entities.

GRI 416: CUSTOMER HEALTH AND SAFETY

416-1	Assessment of the health and safety impacts of product and service categories	Not Applicable
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not Applicable

GRI 417: MARKETING AND LABELLING

417-1	Requirements for product and service information and labelling	Not Applicable
417-2	Incidents of non-compliance concerning product and service information and labelling	Not Applicable

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GRI 417: MARKETING AND LABELLING

417-3	Incidents of non-compliance concerning marketing communications	In 2021 Coster has not recorded any non-compliance related to marketing communication

GRI 418: CUSTOMER PRIVACY

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Pag. 42

GRI 419: SOCIOECONOMIC COMPLIANCE

419-1	Non-compliance with laws and regulations in the social and economic area	In 2021 Coster has not recorded any fines for non-compliance with laws and/or regulation.

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