

Dear Stakeholder,

In 2022, the combined effect of the COVID-19 pandemic on one hand, and the onset of the Russia-Ukraine war on the other, along with a set of other unexpected and disruptive events, led to ripple effects on the global economy. The results of demand shocks, capacity shortages and transport blockages have resulted in low inventories, material constraints, inbound and labor shortages, a tense market with general prices increase and volatile demand. Without neglecting the significant effects deriving from environmental risks, such as the plastic ban in the packaging sector, cyber security risks and country-specific risks. Coster has carefully analysed all these factors to translate these challenges into further growth opportunities by developing a sustainable and agile supply chain plan, flexibility and resilience in the production model, technology upgrading, IT protection, green product innovations.



## SUSTAINABILITY REPORT 2022

Therefore, the year 2022 has seen the company further transformed but continuing to be driven by its purpose. We have strengthened and extended our commitment to sustainability and generating positive impacts where we operate, we supported customers by sharing the common effort throughout the value chain to face these challenging times, achieved capacity expansion and standardisation upgrade, leveraged on industrial excellence and digitalisation by implementing automation and data-driven technologies, worked to develop a global and sustainable supply chain.

### WHO IS COSTER · ENVIRONMENT · COMMUNITY · PRODUCTS



# Letter to stakeholders

Dear Stakeholder,

In 2022, the combined effect of the COVID-19 pandemic on one hand, and the onset of the Russian-Ukrainian war on the other, along with a set of other unexpected and disruptive events, led to ripple effects on the global economy. The results of demand shocks, capacity shortages, inflation, congestion and transport blockages have resulted in low inventories, material constraints, inbound and labor shortages, a tense market with general prices increase and volatile demand. Without neglecting the significant effects deriving from environmental risks, such as the plastic ban in the packaging sector, cyber security risks and country-specific risks. Coster has carefully analysed all these factors to translate these challenges into further growth opportunities by developing a sustainable and agile supply chain plan, flexibility and resilience in the production model, technology upgrading, IT protection, green product innovations.

Therefore, the year 2022 has seen the company further transformed but continuing to be driven by its purpose. We have strengthened and extended the collaboration with suppliers by increasing the level of service and generating positive impacts where we operate, we supported customers by sharing the common effort throughout the value chain to face these challenging times, achieved capacity expansion and standardisation upgrade, leveraged on industrial excellence and digitalisation by implementing automation and data-driven technologies, worked to develop a global and sustainability-oriented mentality.

This report describes the results achieved in 2022 and the efforts made to turn our ambitions into tangible results. We continued the process of reducing carbon emissions through energy efficiency initiatives and the procurement of renewable energy, finally extending the environmental certification to five more group sites. We moved forward from our goal of making products more sustainable by expanding the catalogue of items that can be produced with plastic from mechanical recycling, developing innovative solutions that address the full recyclability of packaging, studying devices and technologies for reuse, implementing systems that allow to replace LPG propellants with compressed air. We obtained the first ISCC+ certification for the mass balance approach, which enables us to manufacture products from bio-circular plastics and chemically recycled polymers. We involved local suppliers in the “Joining Forces with Suppliers” program, promoting collaboration and growth on corporate social responsibility issues. We are on track to implement the CosterCares ethical-social program aimed at our people, the territory in which we operate and the development of our local communities.

All this was possible by being inspired by the company's founding values of respect, collaboration, ownership, operational excellence and consistency. But also relying on the commitment, enthusiasm and skills of our global team, the real key to our company's success. The roadmap for the next few years is very ambitious and will be instrumental in pursuing the sustainability transformation which, together with all our partners, will engage us to build the industry of the future.<sup>01</sup>



## Methodological note

Coster's 2022 Sustainability Report represents the main means of communicating to stakeholders the Company's commitment and the path towards Sustainability. Coster is developing and implementing the Corporate Social Responsibility along its value chain, making Sustainability an integral part of its business. For this reason, Coster adopted precise, measurable and reproducible key performance indicators (KPI), which are an objective for all corporate functions<sup>02</sup>.

Unless otherwise stated, the scope (reporting period) of Coster's Sustainability Report covers information and data for the year 2022 – which coincides with the calendar year - consolidated in the Annual Report as of December 31, 2022<sup>03</sup>. Coster issued this document in compliance with the 2022 consolidate version of GRI Standards and follows the Core option. As this non-financial report is now at its sixth edition, Coster believes it is of utmost importance to provide stakeholders with a yearly document outlining the company's efforts in implementing its Corporate Policies.

The complete review of the annual Sustainability Report is carried out by the entire Executive Committee (ComEx), including the President and the CEO, where all the executive officers review 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<sup>04</sup>.

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 S.p.A.
- the term "Customer", as used in this Report, refers to the end user of our products or services

The boundaries of this report are extended, compared to the previous year, with the inclusion of CATIDOM, S.A.S as we were able to obtain relevant data for 2022. In order to make comparisons with previous year, CATIDOM values for 2021 and 2022 were assumed to be the same.

There are not changes to the list of material topics compared to the previous reporting period<sup>05</sup>.

<sup>02</sup> GRI 2-4  
<sup>03</sup> GRI 2-3  
<sup>04</sup> GRI 2-14  
<sup>05</sup> GRI 3-2  
<sup>06</sup> GRI 2-3

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

- The lack of relevance in relation to the Group as a whole
- 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 (sales offices), Coster Packaging do Brasil Ltda (sales offices) and RxPack S.r.l.

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](mailto:andrea.raineri@coster.com)<sup>06</sup>.



# // COSTER AT A GLANCE

**Coster is a multinational provider of spray packaging solutions.**

Its products are used on a daily basis by millions of consumers all over the world in a variety of markets, ranging from personal care to households, perfumery and technical uses.

**The company strives to make a positive impact on communities by developing and supplying the most efficient and sustainable products.** It does this by leveraging its organisation's knowledge, innovation expertise, sustainability leadership and manufacturing excellence.



Founded in 1963 in Italy



Family and women-owned



Headquartered in Calceranica al Lago, Trento – Northern Italy



Nearly 1000 employees



17 manufacturing sites



Global presence in 11 countries and 4 continents



Over 4 billion products manufactured



3 business units: packaging, machinery and anodization

## 2022 TURNOVER BREAKDOWN

PER GEOGRAPHICAL AREA

PER PRODUCT



**TURNOVER 2022**

244.672 K€



**GROWTH VS 2021**

12%

# // SUSTAINABILITY

## Sustainability is at the centre of Coster's strategy.

The company is committed to having a positive impact and challenges itself to improve year after year. **The new roadmap will lead the company to achieve several sustainable goals by 2030.**



## SUSTAINABILITY HIGHLIGHTS 2022

### Launch of Coster Cares programm worldwide Global Commitment

#### CDP discloser

- B Climate change
- A Supply chain
- A Water footprint

- Signatories of Ellen MacArthur Foundation

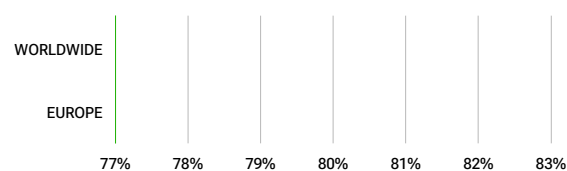
#### New Certifications

- Catidom gets ISO 14001
- Coster 1 and Costerplast gets ISCC+

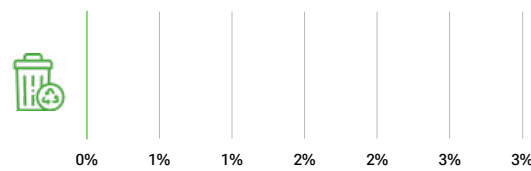
#### EcoVadis Platinum medal



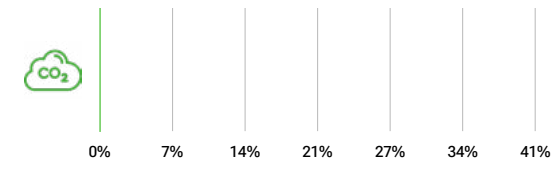
### USAGE OF GREEN ENERGY



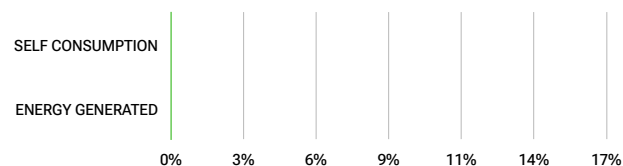
### WASTE DISPOSAL REDUCTION vs 2021



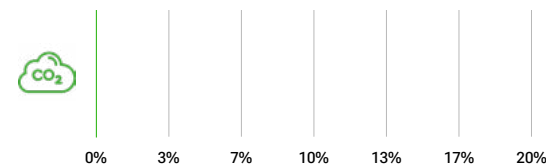
### SCOPE 1 & 2 MARKET BASED EMISSION REDUCTION vs 2021



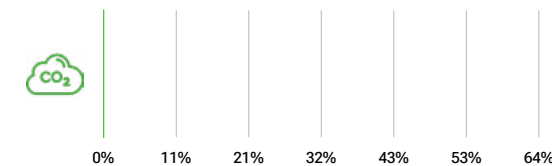
### PHOTOVOLTAIC ENERGY vs 2021



### SCOPE 1 EMISSION REDUCTION vs 2021



### SCOPE 2 MARKET BASED EMISSION REDUCTION vs 2021



# // PEOPLE & COMMUNITY

The **Coster Cares** program was renewed and expanded in 2022 to cover more key aspects related to the **people** and the **communities** where we operate. Based on the following three pillars:

- **Employee Well-being, People Development & Retention**
- **Diversity, Equal Opportunities & Inclusion**
- **Partnership with Local Communities**

and supported by a wide range of actions aimed at strengthening the social aspect of sustainability.



## COSTER ACADEMY

- 3 days at Italian facilities
- 14 students
- 11 courses and a laboratory

## 5 WELL BEING SEMINARS

For coster's employees and their relatives

- 3 in Argentina
- 2 in Italy
- 437 participants

## FAMILY DAY

3<sup>rd</sup> edition of Coster's anniversary

## COSTER Cares

## 3 VOLUNTEERING ACTIVITIES

- Clean Caldonazzo Lake
- Clean a park in Milan
- Maintenance of a children's garden in Buenos Aires

## BRIGHT FUTURES

Coster Group made a donation to an after-school in India

## VOCATIONAL GUIDANCE FOR EMPLOYEE'S CHILDREN (ITALY)

- 11 participants
- 4 high school guidances
- 7 university guidances

# // 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, counts twenty-eight engineers and employees taking care of the R&D activities for the Group. Coster is the preferred partner of many Fast Moving Consumer Goods Multi-National Companies for their new product developments and keeps introducing novel products to the market that make the difference to consumers and the environment.

## Awarded innovations

- **Bag On Jar:** FEA Award in “Packaging element design 2022” category
- **CosterEco:** BAMA Award 2022 in “Aerosol of the Year” category
- **Vortex:** BAMA Sustainability Award 2022 in “Runner Up” category
- **Digital Printing:** ADF Innovation Award 2022 – winner in “Concept of the Year” category
- **Digital Printing:** AEDA Innovation Award in Aerosol Packaging Design 2022



2015

**ADF award**  
9.15 Fair Play  
Limit



2018

**ADF award**  
Dior Very Cool  
Spray



2019

**ADF award**  
AirNext



**BAMA award**  
Texture Effects  
Technology



2020

**FEA award**  
L'Oréal  
Ushuaia



**FEA award**  
Glove-On



2021

**FEA award**  
Vortex  
Technology



**FEA award**  
Bag On Jar



**BAMA award**  
CosterEco



**BAMA award**  
Vortex



**ADF award  
AEDA award**  
Digital Printing

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# Introduction

Coster leaves behind a 2022 as complicated as the previous years, due to the Russian-Ukrainian war and its consequences on energy and raw material prices, as well as shortages of some of them, which have limited our growth in some cases. Nevertheless, the enormous resilience of the company and all its members managed to minimise the impact of these factors on our business, enabling us to achieve excellent results and an incredibly good outlook for the coming years.

For this reason, a new roadmap will be launched in 2023 with short, medium and long-term objectives that should guide the company's sustainability path in the coming years. However, our firm steps in this area have led us to achieve the following milestones in 2022:

## Signatory of the New Plastic Economy Global Commitment

In 2022 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 were disclosed in the Global Commitment 2022 Progress Report published by the Foundation.

## New certifications

With Coster Robotics and the Central Warehouse certifications we reached 94% ISO 9001 coverage, which in 2023 will be 100% with the inclusion of the Machinery Division in Pero. In addition to Coster B&S, these same sites also obtained ISO 14001 certification, thus achieving 65% of the group-wide coverage. Finally, Coster Robotics obtained the GMP certification to reach almost 50% coverage worldwide.

## Renewable energy sourcing increase

In 2022 we added our factory in India to the plants consuming green energy, leaving out only the recently incorporated CATIDOM.

## Carbon emissions

Although we received a "B" rating from the CDP (Carbon Disclosure Project) in the climate change assessment due to reporting errors, our commitment remains unchanged and initiative- and measure-related emission reductions lead to an 80% decrease of absolute market-based Scope 1 + Scope 2 CO<sub>2</sub> emissions from 2018 to 2022.



## 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.

Bag on jar patented technology has won the FEA Award in 2022 for the category “Packaging element design 2022”

Coster Eco new propellant technology with compressed air won the BAMA Sustainability Award in 2022 for the category “Aerosol of the year”.

Vortex patented spray technology has won the BAMA Sustainability Award in 2022 for the category “Runner up”.

Digital printing technology was nominated to win the “Concept of the year” category for ADF Innovation Awards 2022.

## Sustainable product solutions

Coster continued implementing the LCA calculation model, which is used to screen the products and provide robust elements to eco-designing the items also under the problematic and unnecessary plastics perspective.

In addition, R&I and technical departments worked to designing lightened solutions in particular regarding plastic spraycaps and actuators and also reducing thickness of dip tube for standard 1” valves.

Regarding unnecessary plastic, we developed an innovative solutions to remove the micromist insert in specific spray applications (namely patented Vortex technology) and different micromist inserts versions without POM for actuators of pumps and valves.

In the perspective of offering mono-material solutions, Coster worked on how eliminate inseparable alu foil from multilayers films of bag-on-valves. and developed green pumps versions made 100% of polyolefins to be fully recyclable in the existing streams.

Finally, we increased with 7 new references in PCR the actual offer in recycled plastic products.

## Coster Cares Program

In 2021 CosterCares took its final form and was launched partially in 2022. 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 wellbeing, people development & retention
- Diversity, equal opportunities & inclusion
- Partnership with local communities

Two activities like Coster Academy and the Well-Being Seminars were launched in 2021 but during 2022 the final program was shared with all workers and partially activated in Italy and Argentina, the two countries with the highest concentration of employees. The full activity plan will be put in action during 2023 according to a geographic implementation roadmap; progress and targets achieved will be tracked by the Group Sustainability Committee.



# Coster sustainability plan

The KPIs and targets disclosed in this section are the ones that Coster considers strategic 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<br>(By the end of 2026) |                    | Result<br>2021 | Result<br>2022 |
|-------------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------|----------------|----------------|
| Energy 1          |    | Injection moulding electric consumption normalised on weight of transformed plastic [kWh/kg plastic]                  | -15% (2,22) vs Base year 2018  | By the end of 2026 | 2,29           | 2,24           |
| Energy 2          |    | Assembly electric consumption normalised on assembled finished goods [kWh/1000 pcs]                                   | -10% (4,5) vs Base year 2018   | By the end of 2026 | 4,55           | 4,16           |
| Energy 3          |    | [%] Electricity from renewable sources                                                                                | 100%                           | By the end of 2024 | 82%            | 83%            |
| Energy 4          |    | [%] Gas from renewable sources                                                                                        | 100%                           | By the end of 2026 | 0              | 0              |
| Carbon emission 1 |   | Absolute<br>Scope 1 + 2 (Market based) - CDP<br>[metric tons CO <sub>2</sub> e]                                       | -70% (2.190) vs Base year 2018 | By the end of 2026 | 2.468          | 1.559          |
| Carbon emission 2 |  | Intensity (normalized)<br>Scope 2 (Location based) - CDP<br>[metric tons CO <sub>2</sub> e/mln of product units sold] | -20% (3,48) vs Base year 2018  | By the end of 2026 | 4,22           | 4,08           |
| Waste             |  | Landfill free waste management                                                                                        | < 1%                           | By the end of 2026 | 11%            | 11%            |

| Target        | SDG                                                                                 | Description                                                           | Target<br>(By th end of 2026)                     |  | Result<br>2021             | Result<br>2022    |
|---------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------|--|----------------------------|-------------------|
| H&S 1         |    | Injury Severity Index                                                 | < 0,05                                            |  | 0,18                       | 0,32              |
| H&S 2         |    | Injury Frequency Index                                                | < 0,10                                            |  | 0,66                       | 0,84              |
| Procurement 1 |    | [%] of cardboard boxes from recycled material or FSC certified fibers | >90%                                              |  | 92%                        | 100%              |
| Procurement 2 |    | Paper consumption reduction in offices<br>[mln copies]                | -50% (0,95)                                       |  | 1,47                       | 1,36              |
| Procurement 3 |    | [%] of recycled paper used in the offices                             | 100%                                              |  | 87%                        | 87%               |
| Product       |    | Implement LCA from cradle to grave of the products for ecodesign      | Extend LCA to whole range of products             |  | Issue of LCA for SCP pumps | 4 LCA bew studies |
| Compliance    |  | Increase ISO Certification coverage for integrated management systems | Reach >60% mfg sites with ISO 14001 and ISO 22716 |  | 50%                        | 65%               |
| EcoVadis      |  | EcoVadis CSR Rating – Overall score                                   | ≥ 75                                              |  | 77                         | 77                |
| CDP           |  | Carbon Disclosure Project – Climate Change scoring level              | Leadership                                        |  | A-                         | B                 |

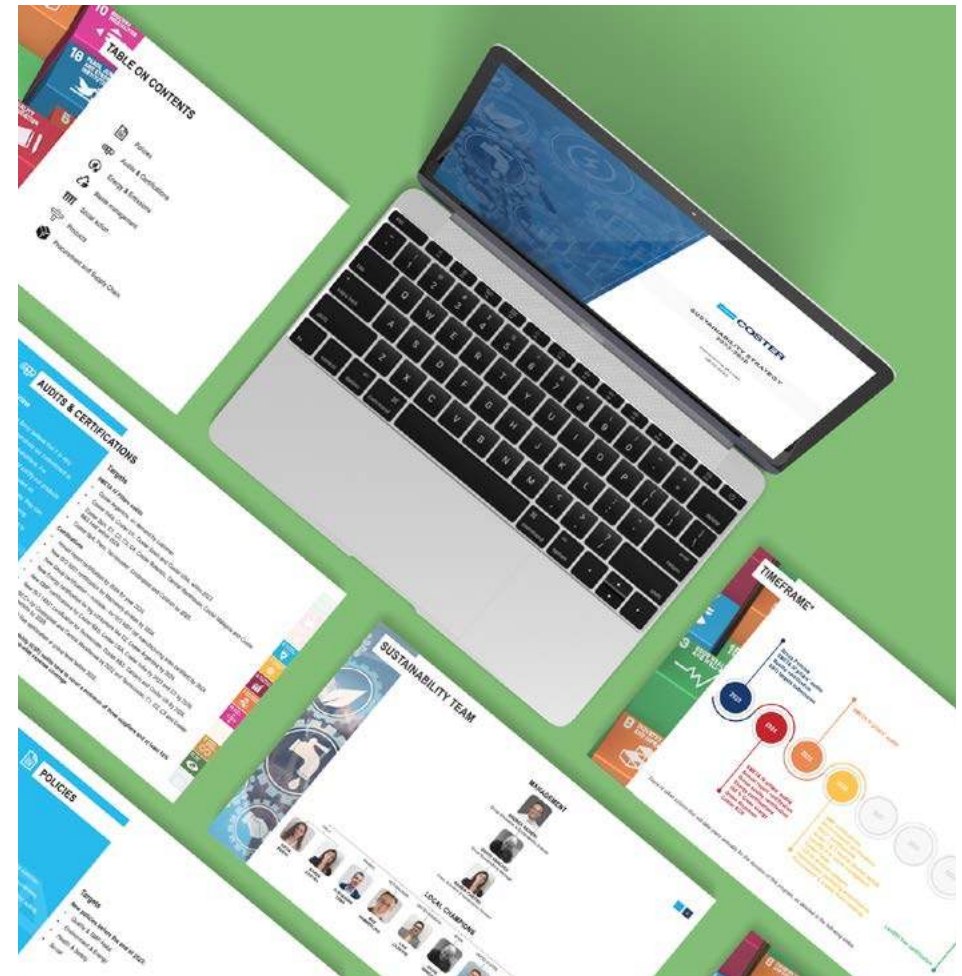
| Target       | SDG | Description                                                   | Target<br>(By th end of 2026) |                    | Result<br>2021    | Result<br>2022    |
|--------------|-----|---------------------------------------------------------------|-------------------------------|--------------------|-------------------|-------------------|
| Governance   |     | Number of issues reported to Whistleblowing Supervisory Board | 0                             |                    | 0                 | 0                 |
| SBTi Targets |     | Number of targets submitted to SBTi                           | 2                             | By the end of 2026 | Committed to SBTi | Committed to SBTi |

## Roadmap 2023-2030

The aforementioned plan will be replaced by the new sustainability roadmap 2023-2030. This document will be the backbone of Coster's sustainability strategy based on the following points:

1. Renewing the policies
2. Increasing the coverage of certifications
3. Increasing the frequency of SMETA IV pillar audits
4. Being Scope 1 & 2 carbon neutral
5. Submitting and complying SBTi targets
6. Achieving the landfill free waste management
7. Delivering COSTER CARES
8. Training and protecting our employees
9. Innovating our products and services
10. Reducing transport related emissions
11. Increasing our commitment to suppliers in all respects
12. Improving our secondary packaging

We invite you to follow the results of its implementation.



# // WHO IS **COSTER**



NUMBER OF EMPLOYEES

**942**

SITES

**19**

SALES

**244.672  
(k€)**

## Who we are



Coster Group<sup>07</sup> is a leading multinational provider of spray packaging solutions and filling equipment. The company serves 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 provides its customers with significant design resources, many of which are multinational firms operating in diverse consumer markets with a number 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.

It currently employs nearly 1000 people and, with its worldwide commercial and logistic network, counts around 1000 customers. Its main clients are multinational companies operating in the personal care and beauty industries which make up 70 % of revenue, followed by Household, Technical equipment and Food & Beverage

The production of valves 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.

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

The company has two headquarters in Italy: the legal headquarter is based in Calceranica al Lago, Trento, via Trento 2 - 38050, the commercial and financial one is located in Pero, Milan, Via Leonardo da Vinci 2/4 - 20016<sup>08</sup>.

A significant portion of the Group's global production capacity is located in the area 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 Italy, Coster has manufacturing facilities in Netherlands, Spain, France, United Kingdom, Argentina, India, Malaysia and the U.S.A. Sales offices are also based in France, Germany, Basil and Singapore (chart "*COSTER TECNOLOGIE SPECIALI S.p.A.*" - pag. 81)



<sup>07</sup> GRI 2-1

<sup>08</sup> GRI 2-6

## Vision, mission and values<sup>09</sup>

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, based on 6 key pillars, to drive strategies in the long term, which for the reporting period are:

- **Financial sustainability** - because of Coster's natural origins, 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. Financial sustainability is considered an essential factor for the Top Management, a guarantee and responsibility to employees who must be aware that the company is strong and stable.
- **Innovation** – a central topic for Coster. The Group Innovation & Sustainability function has been working since 2020 by merging technical innovation and sustainability, convinced that our technical know-how must be combined with the new generations' talent. While, the Discovery & Innovation team, within this organization, is on a mission to project ahead, change our traditional ways of thinking and create products responding to future needs, while curbing conventions. The I&S whole team is committed to pursuing eco-design and design-for-recycling programs, developing strong synergies with other Coster divisions, suppliers and customer thus contributing to the success of our customers' strategies.
- **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 4 continents and in the places where the major customers operate, remains of strategic importance to stay in touch with the needs and desires of customers and consumers.
- **Industrial and technical excellence** – a virtue recognised by clients, suppliers and competitors and stems 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 and assembly technology models, automated internal logistics, in-house assembly solutions, machinery and tools.
- **Sustainability and CSR** – an essential pillar for challenging the present and ensuring the future. Coster pursues transparent accountability, promotes and monitors the Group's Ethical Code and Governance Model, provides whistleblowing tools, ensures supervision by an independent body, and issues recognised audit protocols. Central

to Coster strategies are: 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

- **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 and inclusion. We want to ensure our families, people in our communities, including local suppliers and indirect partners. Wherever we operate, we must promote education, schooling and social inclusion, by reaching out the less privileged and supporting company and personal efforts to act in social volunteering.



# Materiality & Stakeholder engagement

## Stakeholders engagement

The materiality analysis is a powerful tool to align company vision and strategy with the topics cherished by stakeholders. It also helps Coster identify its key objectives, considering potential risks and opportunities for the Group.

The matrix resulting from this analysis is based on the functional opinions of top management, in close relationship with identified stakeholders, and feedback received from:

- a panel of employees (of different ages, gender and job title) representing all our sites
- customers and suppliers identified through an internal evaluation of revenue/expense figures in terms of business and specific expression of interest into CSR issues

These internal and external stakeholders were engaged through a specific personalised 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<sup>10</sup>:

- President
- Chief Executive Officer
- Financial Group Director
- Human Resources Group Director
- Group Industrial Director
- I&S Group Director (Technical, Quality and Sustainability)
- Commercial Group Director
- IT Group Director
- Supply Chain & Procurement Group Director
- Site Managers Coster 1, 2, 3 and 4

The most relevant stakeholders involved in the analysis, confirmed by the previous report, are listed in the table below, which also outlines the daily relationship between the corporate functions and each of the stakeholders<sup>11</sup>.

| Stakeholders                              | Corporate Function                                                                                                                                                                                                                                    |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Clients                                   | <ul style="list-style-type: none"> <li>• Sales</li> <li>• Marketing</li> <li>• Supply chain, agents, service network</li> <li>• Product Development and Manufacture</li> <li>• Quality</li> </ul> <b>Direct involvement through a specific survey</b> |
| Suppliers and outsourcers                 | <ul style="list-style-type: none"> <li>• Purchasing &amp; Supply Chain</li> <li>• Quality</li> </ul> <b>Direct involvement through a specific survey</b>                                                                                              |
| Employees                                 | <ul style="list-style-type: none"> <li>• Human Resources</li> <li>• Environment, Health and Safety</li> <li>• Regional dedicated function</li> </ul> <b>Direct involvement through a specific survey</b>                                              |
| Trade unions and employee representatives | <ul style="list-style-type: none"> <li>• Industrial relations</li> </ul> <b>Also included in the panel of surveyed employees</b>                                                                                                                      |
| Institutions/ Community                   | <ul style="list-style-type: none"> <li>• Governance</li> <li>• Institutional relations</li> <li>• Environment, Health and Safety</li> </ul> <b>Also included in the panel of surveyed employees</b>                                                   |
| Ownership and Shareholders                | <ul style="list-style-type: none"> <li>• Governance</li> <li>• Investor Relations</li> <li>• Corporate affairs</li> <li>• Sustainability, Planning and Reporting</li> </ul> <b>Also partially included in the Management survey</b>                   |

According to this approach, topics are considered relevant if they reflect Coster's economic, environmental, and social impacts, or if they actually influence stakeholder decisions (in line with GRI's materiality principles).

<sup>10</sup> GRI 2-29

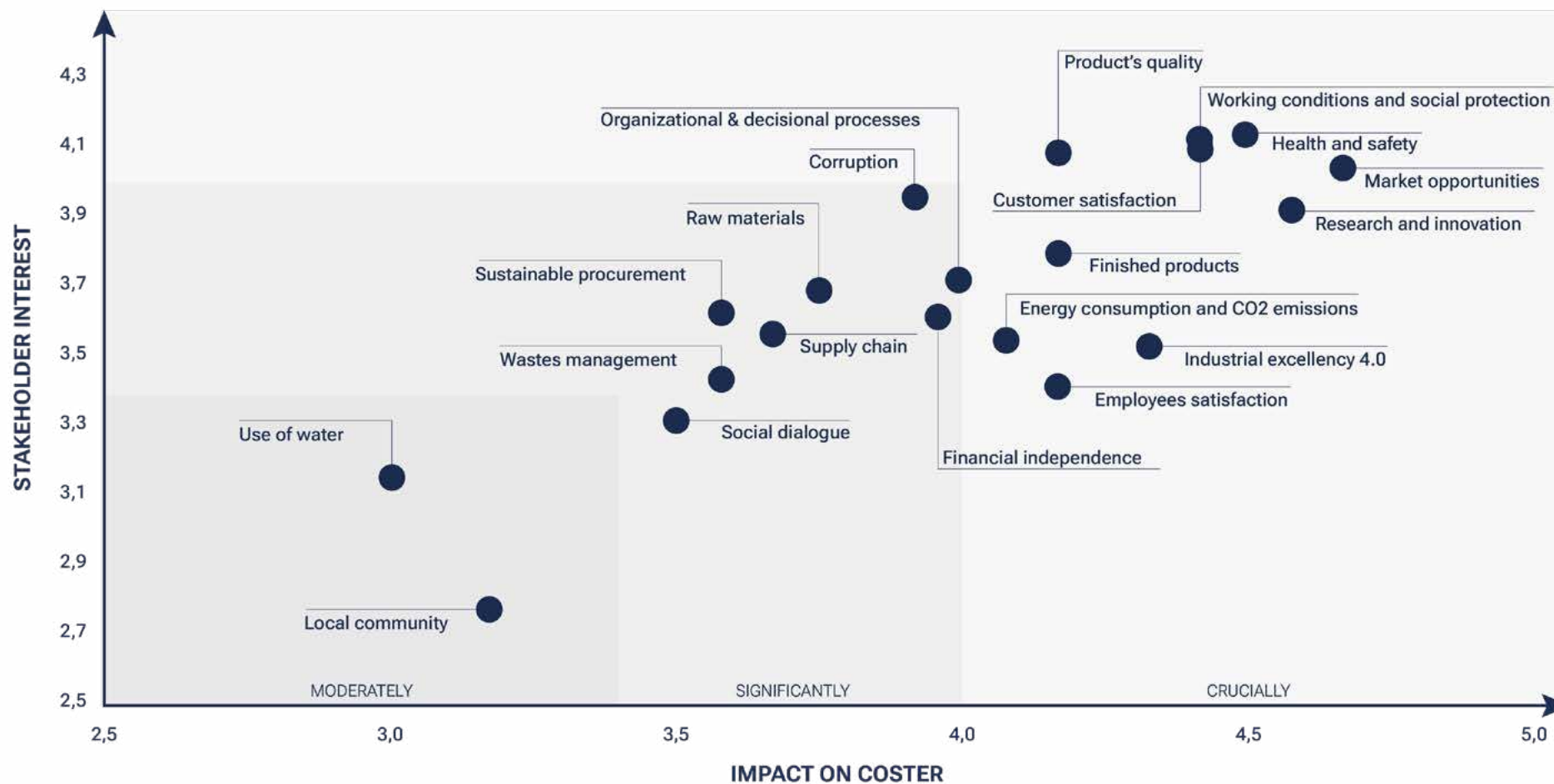
<sup>11</sup> GRI 2-12, 2-29

Respondents had to classify, according to their position, the importance of the analysed issues on a scale of 1 (not relevant) to 5 (extremely relevant).

The results of the analysis showed that the stakeholders' interests on the issues analysed are aligned with those of Coster. In particular, the areas of greatest stakeholder interest are reflected in Coster's awareness and deployment of strategic resources for the develop-

ment of our crucial issues. This confirmed approach has resulted into the matrix, in which Coster and stakeholder expectations grow hand in hand in a real virtuous trend.

In 2022, no update were made to the materiality analysis consolidated in 2021. The results are shown in the graph below:



## Materiality Matrix

Through the Materiality Assessment and the results of management and stakeholder interviews, the company was able to prioritise the issues that have the greatest impact on the economy, society and the environment and that most influence the decision-making of our stakeholders. The analysis of these issues and their relevance led to the Materiality Matrix<sup>12</sup>.

These topics cover all the relevant areas of the GRI Standard and were 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.
- **crucially** material the topics rating equal or above 4,0 for either Stakeholders or Coster.

### Crucially material:

- **Market opportunities:** search for opportunities to gain new market share through innovative products and choices (international footprint, increase territorial coverage, development of products portfolio) ; diversify in new technologies and markets<sup>13</sup>.
- **Research and innovation:** develop new products; customise products compatible with industrial standardization; 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; invest in H&S.
- **Work conditions and social protection:** ensure that working conditions comply with national laws and norms and are consistent with international norms on labour; assure adequate work conditions and environments; protect unprivileged categories and minorities ; combine work with family duties.
- **Client satisfaction:** increase the commercial dynamism, presence and assistance before and after sale; anticipate customer's needs and market trends; increase the

<sup>12</sup> GRI 3-1

<sup>13</sup> GRI 3-2



quality of service and product; diversify to expand offering; improve service and lead-times.

- **Industrial Excellency:** get advantages from filling lines production; hi-tech technologies and plants, implement new IT infrastructures and networks; create Group's centres of excellence.
- **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 to reduce or eradicate materials; fit product into circular economy models, in particular plastics; design fully 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; innovate and invest on technologies and products which reduce the energy consumption; invest in 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, while adopting Whistleblowing measures among the employees, representatives, contractors and suppliers; implement a Governance Model: the topic became crucially material after the 2018 analysis on performance.
- **Structures and decision-making processes:** implement processes, systems, structures or other mechanisms which enable the adoption of social responsibility principles and practices; boost fast decision-making processes, 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 biobased, OBP and PCR plastics; introduce recycled materials and reuse model wherever possible like in offic-

es and secondary packaging.

- **Supply Chain:** look for 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; globally connect the Group with the new ERP SAP S/4 HANA.
- **Sustainable purchases:** bring positive economic and social impact in local contexts; integrate sustainability requests in 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 recycling, reducing its quantities and improving its management; pursue ISO 14001 certification at Group level.

#### Moderately Material:

- **Social Dialogue:** recognise the importance of social dialogue, also at the international level, and collective bargaining structures; do not hinder or discriminate employees who wish to join these bodies to promote their interests and to negotiate collectively.
- **Local communities:** promote community-based initiatives; consult with groups representing communities to determine priorities for social investments and activities for their development; take part in local association with the aim of contributing to public good; encourage and support people to participate in volunteer work on behalf of the community. Even though this topic remains moderately material, it has grown in consideration, especially considering the specific request from a stakeholder who would like more engagement in community and partnership development; Coster is taking actions accordingly.
- **Use of water:** adopt initiatives to reduce water consumption (in particular for cooling systems, air conditioning) and to facilitate its recycling.

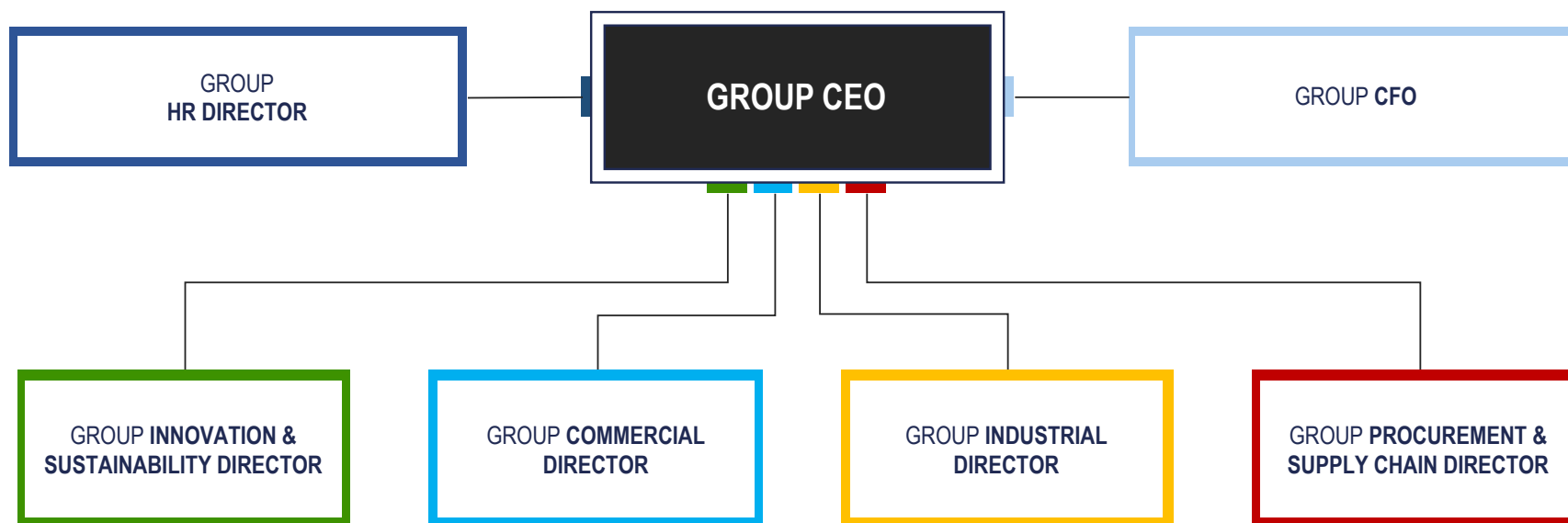
# Company structure & governance



Coster is registered as a company with 2 major shareholders, in addition to the CEO and Group President, Bernard Msellati<sup>14</sup>. The Executive Committee (ComEx) is composed by the CEO and 4 directors, with the CFO and HR Director having support and advisory functions. This structure constitutes the governance of Coster. The 3 regional managing directors, representing respectively LATAM, APAC and USA, are part of the extended ComEx body named Strategic Committee.

responsibilities needed in the company governance<sup>16</sup>.

Coster's ComEx meets on a monthly basis (minimum 8 times a year) and discusses on various aspects, decisions and strategies. Group Management meetings are periodically decided and have the purpose to communicate, align and assess strategies through companies' managers<sup>17</sup>. Assignment of company-level functions takes place at the annual general meeting. During 2022, there were 1 General meeting and 9 ComEx meetings.



15

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 CEO and President.

The ComEx structure and composition is approved within the Board Of Directors, under the CEO and President submission for the nomination of the members in relation to the

The responsibilities of managing any issue or decision connected to 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<sup>18</sup>.

<sup>14</sup> GRI 2-1, 2-11

<sup>15</sup> GRI 2-9

<sup>16</sup> GRI 2-10

<sup>17</sup> GRI 2-12

<sup>18</sup> GRI 2-13, 2-9

## The Governance Model

The Governance Model, adopted and implemented in Coster Tecnologie Speciali S.p.A. in compliance with the Italian law D.Lgs.231/2001, disciplines the administrative responsibility of the legal persons. The Model widely promoted within the Organization through specific training, has been disseminated by the Parent Company to all subsidiaries in the form of guidelines, as it represents the standard of behaviour at the Coster Corporate level<sup>19</sup>. The Model aims to prevent the risk of commission of crimes through the adoption of proper conduct, a whistleblowing system, an independent supervisory body reporting to the board of directors, periodic audits, and a system of disciplinary sanctions. It consists of a set of rules of conduct that cover all activities which have been mapped and assessed to be exposed to practicable risks of violation in the framework of the crimes under 231 Law. During 2021 the board of directors nominated the Supervisory Body for the new three-years course. In 2022 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 its Vice-President in decision-making processes, accountability, management and control. In 2022 Coster was still a member of WEConnect International. By joining, Coster became part of the global network that connects women-owned businesses with qualified buyers around the world.



# Economic and financial performance



The solid financial situation and clearly defined ownership are the drivers behind the continuity of the business plan and company strategy:

- Capex approved for 2023 representing the 8,4% 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 products and people

- the Governance Model 231 to oversee fair business practices and regulate the conduct of financial operations and processes in accordance with all applicable legal requirements

The **Economic and Financial performances** in 2022, compared with the previous year, once again marks a new all-time sales record. The result was achieved despite the negative effects of the war between Ukraine and Russia globally, but especially in Europe, with the rising costs of energy, raw materials, transportation, and packaging and the related consequences in the supply chain and logistics. The results reward the measures put in place at corporate level to ensure the business, such as focusing on diversification of offerings, careful monitoring of economic data for rapid adjustment of strategy, growth of international footprint, improved customer service, reorganization of product portfolio, processes and work structures aimed at maximum performance effectiveness, targeted investment on innovation, equipment and staff growth.

The total capitalization is 13.876 €K and the debt with the bank is 12.881 €K.

|                  | 2018<br>[€/1000] | 2019<br>[€/1000] | 2020<br>[€/1000] | 2021<br>[€/1000] | 2022<br>[€/1000] | Delta (2022 vs 2021)<br>[€/1000] |
|------------------|------------------|------------------|------------------|------------------|------------------|----------------------------------|
| Total sales      | 193.054          | 201.527          | 195.975          | 218.102          | 244.672          | 26.570 (12%)                     |
| NET INCOME (EAT) | 10.357           | 11.764           | 10.359           | 3.536            | 5.028            | 1.492 (42%)                      |



## PER GEOGRAPHICAL AREA (2022)

## PER PRODUCT (2022)

## Financial assistance received from government

In 2022, the Group received the following assistances from the Italian Government:

- investment grants: 930 K€
- energy grants: 1.830 K€

The shareholding structure doesn't include any government representatives<sup>20</sup>.

## 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<sup>21</sup> which Coster partnered and worked with in 2022 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

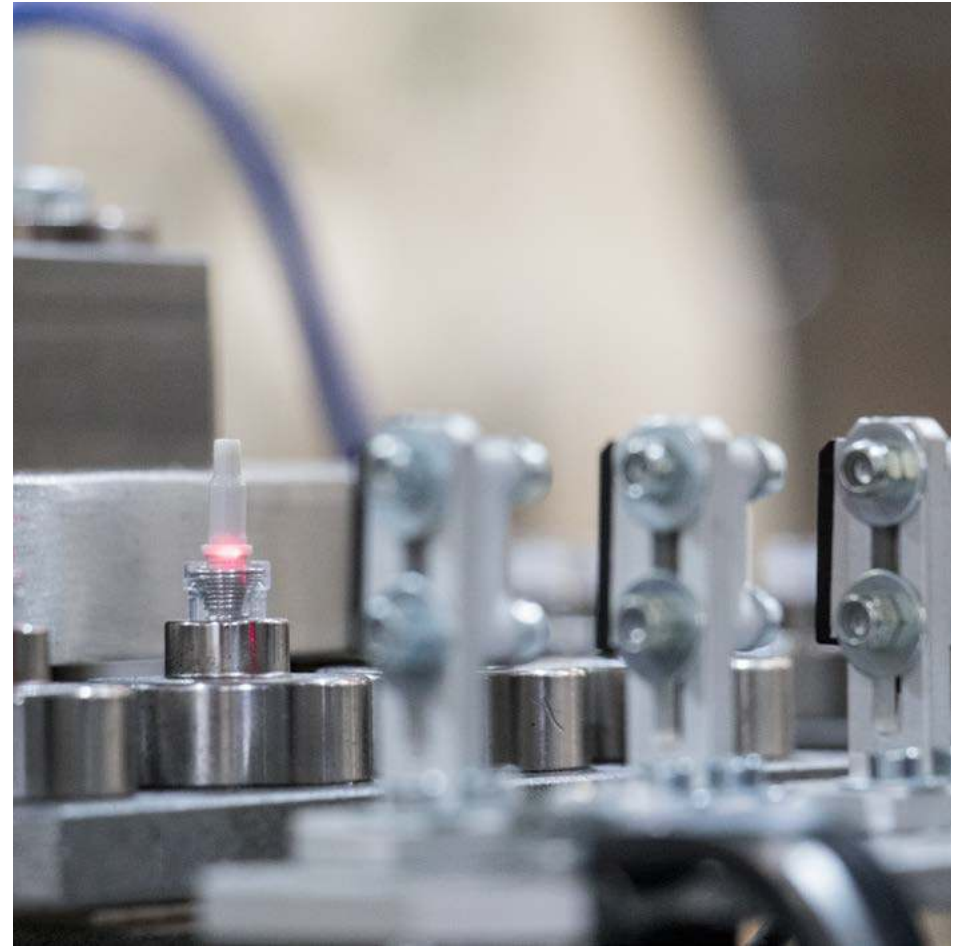
packaging, the Group was asked to contribute to three sub-consortiums: COREPLA, CìAl and RICREA.

- Confindustria Metalmeccanica
- Confindustria (Milano e Trento)
- Associazione Industriali Trento
- IBC Ass,Ind,Beni Di Consumo
- Federmeccanica
- 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).
- Assolombarda
- AEDA (Asociación Española del Aerosol)

<sup>20</sup> GRI 201-1, 201-4

<sup>21</sup> GRI 2-28

- 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
- NAV (Dutch aerosol association)
- NVC (Dutch packaging centre)
- OCM (Entrepreneurs Club Marslanden)
- DVI (Deutsches Verpackungsinstitut E.V.)



# Code of ethics



Coster Code of Ethics represents the core of its internal control system. This document, combining the principles of the ETI Basic Code that are the ground for compliance with SMETA, defines the ethical values related to the economic, social and environmental

spheres that are promoted by the Company and that directors, employees and those acting on behalf of the Company are expected to uphold.

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

## Code of Ethics & Governance Model

Coster's Governance Model builds upon the Code of Ethics, which integrates with a set of additional written protocols dictated by the applicable legal requirements of Legislative Decree 231/2001 starting with the mapping of crime risks in 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 the company reputation, ensuring that all company activities comply with the laws in place. The proper training and promotion of the Code and 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 made both internally and at suppliers' level, 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, consistent with the Group principles and in the framework of integrating the Corporate Social Responsibility into relations with our business stakeholders. Coster considers the collaboration with the Supply Chain as an 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: Business Integrity, Employee and Working Rights, Respect of the Environment, Transparency. The adherence to said principles is a prerequisite for 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 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 managers and employees shall avoid and report any conflicts of interest between personal and family business 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<sup>22</sup>.

## Whistleblowing

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

The **Compliance Line** is a mean to confidentially report by email about any concerns and suggestions relating to the Code, for the purpose of helping Coster to identify and address them in a positive and constructive way. It is a more confidential and anonymous tool to express good-faith concerns about presumed non-compliances, alternative to the preferred mode represented by direct discussion with one's supervisor. Coster makes the necessary arrangements to prevent any possible breach of 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 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 Model protocol<sup>23</sup>.

In 2022 there have been no reports to Whistleblowing scheme<sup>24</sup>.

## Fair business and anti-corruption<sup>25</sup>

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. They have been communicated to all Coster's employees and suppliers, including the governance body members, who have all been trained on the subject. 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, i.e., 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 more than 40% of the total workforce 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

<sup>22</sup> GRI 2-15

<sup>23</sup> GRI 2-26

<sup>24</sup> GRI 2-16

<sup>25</sup> GRI 205-1

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.

## Anti-trust

All 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<sup>26</sup>. 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 2022 Coster had no legal actions regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation.

## Anti-laundering

Coster 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 grants transparent and accurate records of business and commercial dealings.

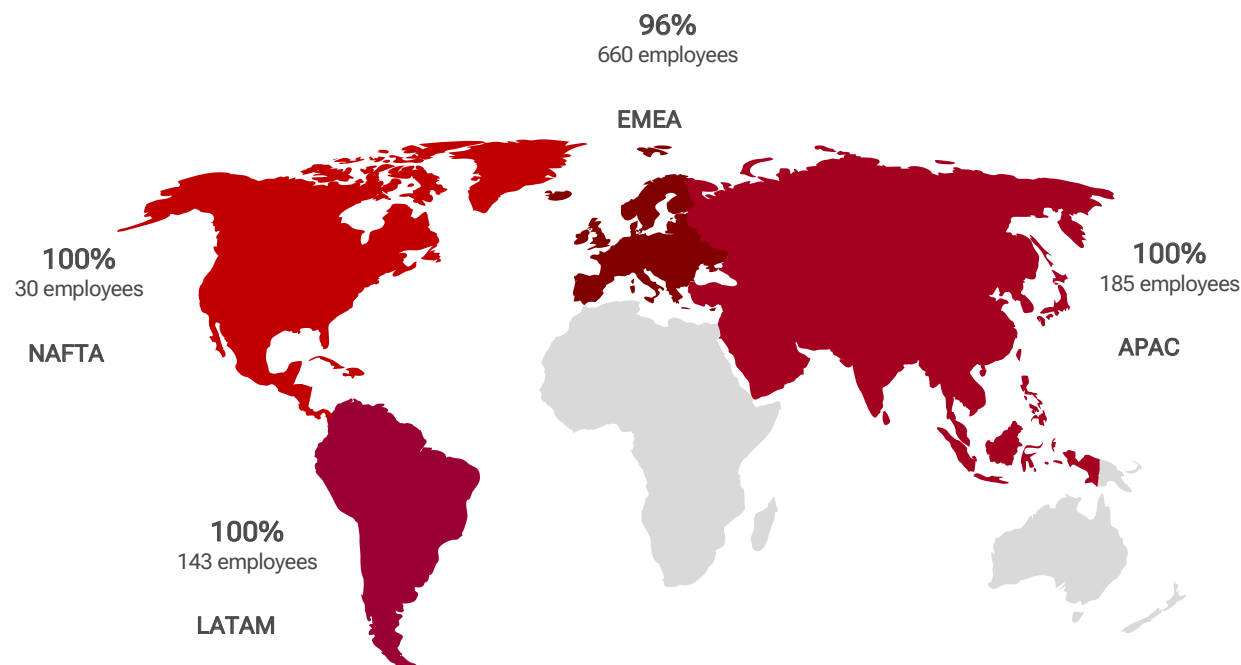
## Insider trading

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 and terrorism are duly mapped through the organisation, assigned with conduct rules and monitored by an independent body.



<sup>26</sup> GRI 205-2

## EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENT



## 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 delegates established in compliance 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<sup>27</sup>.

The figures achieved in 2022 do not show significant differences in comparison to previous year results in terms of percentages of employees covered by collective bargaining agreements<sup>28</sup>.

## 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 over 18 (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, 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

<sup>27</sup> GRI 407-1

<sup>28</sup> GRI 2-30

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 not to establishing or maintaining working relationships with suppliers that employ child labour or forced labour as per the above definitions<sup>29</sup>. Coster watches over the compliance to said prescriptions by using the means of audits SME-TA, 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

## Commitment to sustainability<sup>31</sup>

As a global leader manufacturer in the Aerosol and Dispensing Packaging business, Coster considers Sustainability with the highest importance and a responsibility towards all stakeholders both internal and outside its 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 2022, 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 Coster beliefs disclosed in the Code of Ethics and Governance Model are the **lawful and fair business**, **respect of human rights**, commitment to continuously **enhance the working conditions** and **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

<sup>29</sup> GRI 408-1, 409-1

<sup>30</sup> GRI 411-1

<sup>31</sup> GRI 2-23

to property and land, where applicable. Whenever deemed necessary, e.g., in case of re-locations 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 2022 and throughout its existence, Coster has never received any form of complaint concerning the rights of indigenous people<sup>30</sup>.

## SMETA IV Pillars audits in Coster

Coster guarantees compliance with all of the above points, as well as others included in the SMETA IV pillars standard, maintaining its programme of audits carried out by a qualified external body. These audits cover the labour practices and human rights, H&S, environment and fair business practices.

In 2022, Coster carried out the SMETA IV pillars audit in Coster Packaging Argentina and in the headquarters in Pero. For the coming years, an ambitious SMETA IV pillars audit programme has been approved to cover all Coster sites by 2025 and their reviews according to the applicable periodicity.



of the organization, supply chain and interested parties.

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 whereas, 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 developing sustainable procurement and logistic strategies. In 2020 were established the Innovation and Sustainability Directorate and the Group-wide Sustainability Champions team and functions, 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.

## External reporting

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

- 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
- Submitting targets to SBTi
- Manufacturing 2030

## Carbon Disclosure Project

In year 2022, Coster was awarded with the following score reports:

- Climate Change: CDP Score B, for the general questionnaire and in the light manufacturing activity group. This score places Coster in the managerial range of those organisations taking coordinated in climate actions, compared with average performance

of C for the same activity group, B for Europe and C 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 managerial range of those organisations taking coordinated in climate actions, compared with average performances of B for the same activity group, B for Europe and B for Global Average score reports. The score reflects that water use resulted moderately material in Coster, use is primarily civilian and there are no significant opportunities for improvement.



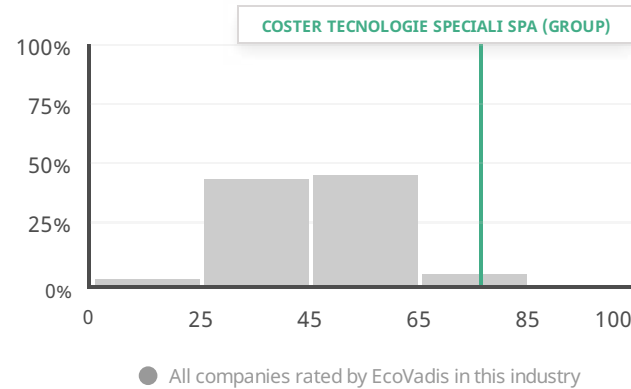
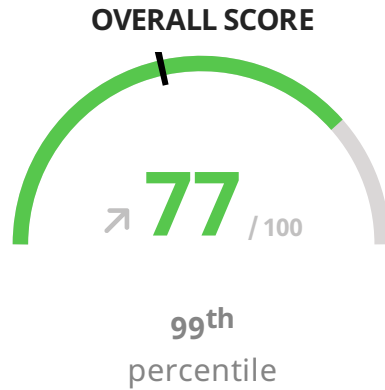


## EcoVadis

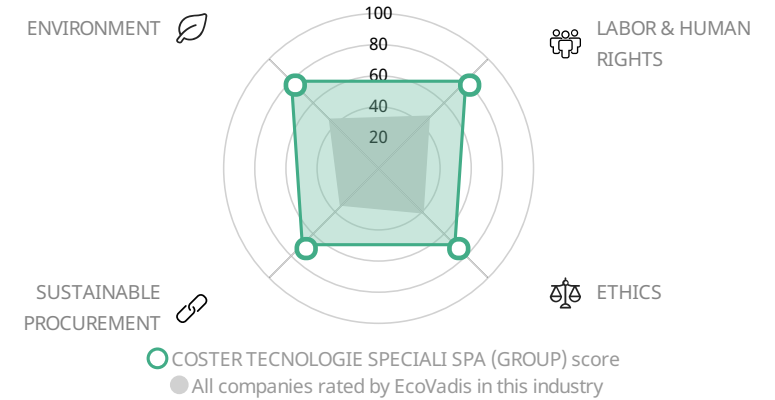
As a prestigious and qualified recognition of Coster's efforts and its big pledge towards sustainable operations, in April 2020 Coster was awarded for the first time with the **Platinum Medal** based on **EcoVadis CSR rating** and has maintained it since then. This is the recognition granted to the companies that **rank among the top 1% of all**

**companies assessed by EcoVadis**, even more so alongside the **top 1%** ranking in the same industry segment. The overall score for 2022 of 77%, figuring out an **advanced** CSR performance, reflects the steady improvement in company scores year after year. 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% for Ethics and in the top 4% for Labour and Human Rights rankings (taking the same industry reference).

### OVERALL SCORE



### THEME SCORE COMPARISON



Since Coster started assessing its sustainability performance in 2017, the constant effort made has paid off as shown in the table below:

| 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 | 77                | 80              | 80                       | 70         | 70                          |

# Sustainable development goals

Coster wants to contribute to the sustainable growth by building alliances with influential partners, being aware that no individual organisations will be able to solve and manage the many challenges on its own. Moreover, 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. Nevertheless, within the document every section was referred to the SDGs, which well fit or can be also (marginally) correlated with the specific contents.



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 aim 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 areas of commitment to sustainability and most material topics are aligned with the internationally agreed 2030 Agenda for Sustainable Development.

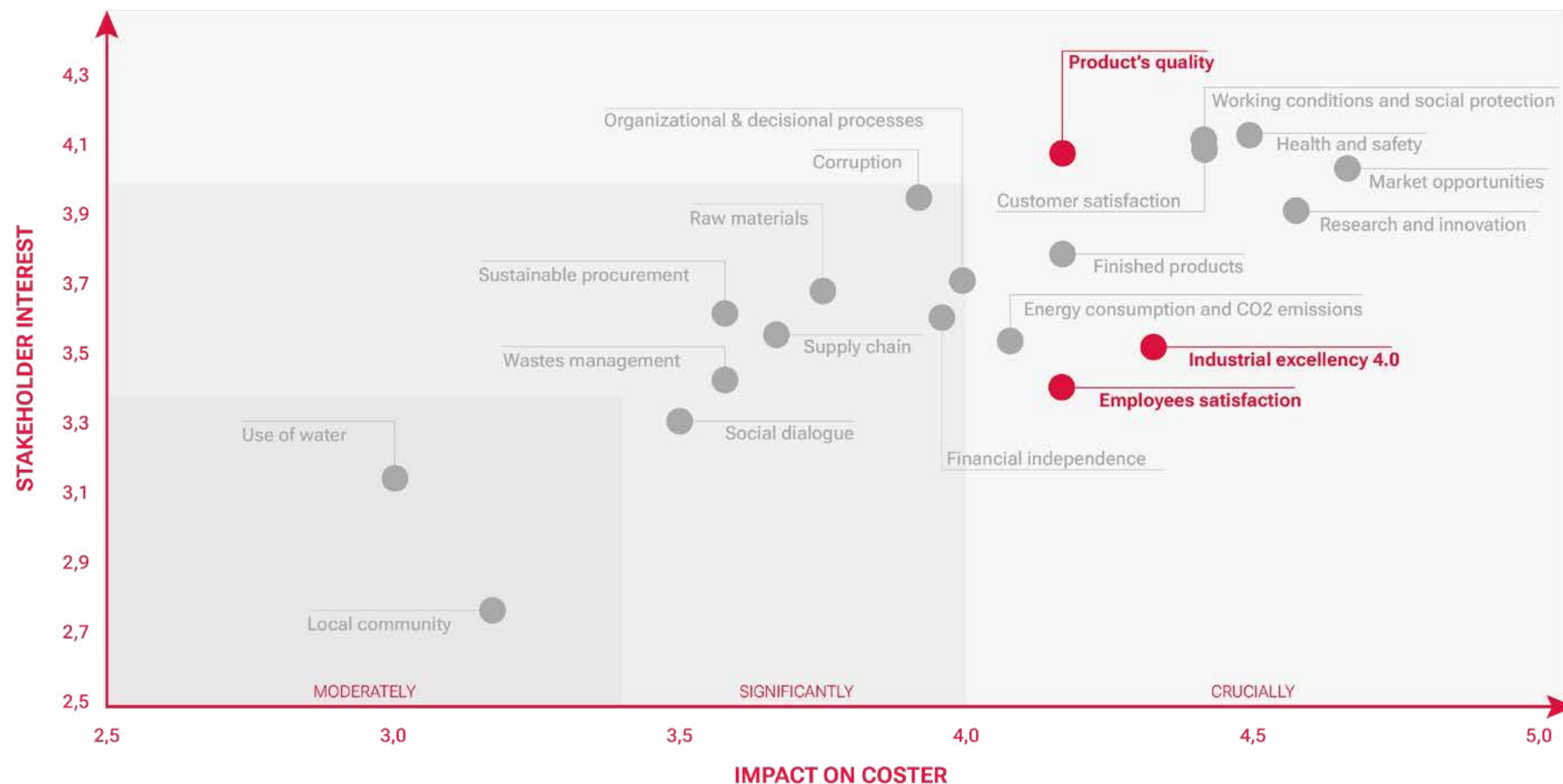
the United Nations Sustainable Development Goals (SDG's) and the objectives identified in

| 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 CO2 emissions     | ✓                   | ✓                             |                                   | ✓                                         | ✓                                         | ✓                 |
| Financial Independence                   |                     |                               | ✓                                 |                                           |                                           |                   |
| Structures and decision-making Processes |                     |                               | ✓                                 |                                           |                                           |                   |
| Corruption                               |                     |                               | ✓                                 |                                           |                                           |                   |
| Raw materials                            |                     | ✓                             |                                   |                                           | ✓                                         | ✓                 |
| Supply Chain                             | ✓                   | ✓                             | ✓                                 | ✓                                         | ✓                                         | ✓                 |
| Sustainable purchases                    | ✓                   |                               |                                   |                                           | ✓                                         | ✓                 |
| Social Dialogue                          | ✓                   |                               | ✓                                 |                                           |                                           |                   |

| Coster' Material Sustainability Topics |   |  |   |   |   |   |
|----------------------------------------|---|--|---|---|---|---|
| Waste Management                       | ✓ |  |   |   | ✓ |   |
| Local communities                      | ✓ |  | ✓ | ✓ | ✓ |   |
| Use of water                           | ✓ |  |   |   | ✓ | ✓ |



# Quality



Quality has been recognised by customers as one of the main strengths beneficial to Coster competitiveness. Following many years of operating at such high standards, Coster's name is now synonymous with Quality, distinguishing its products, processes, assets, and way of doing things. As a result, Coster's products and services offered are 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. MES, SPC)
- **Business Excellence**, translated into the processes of manufacturing, with mis-

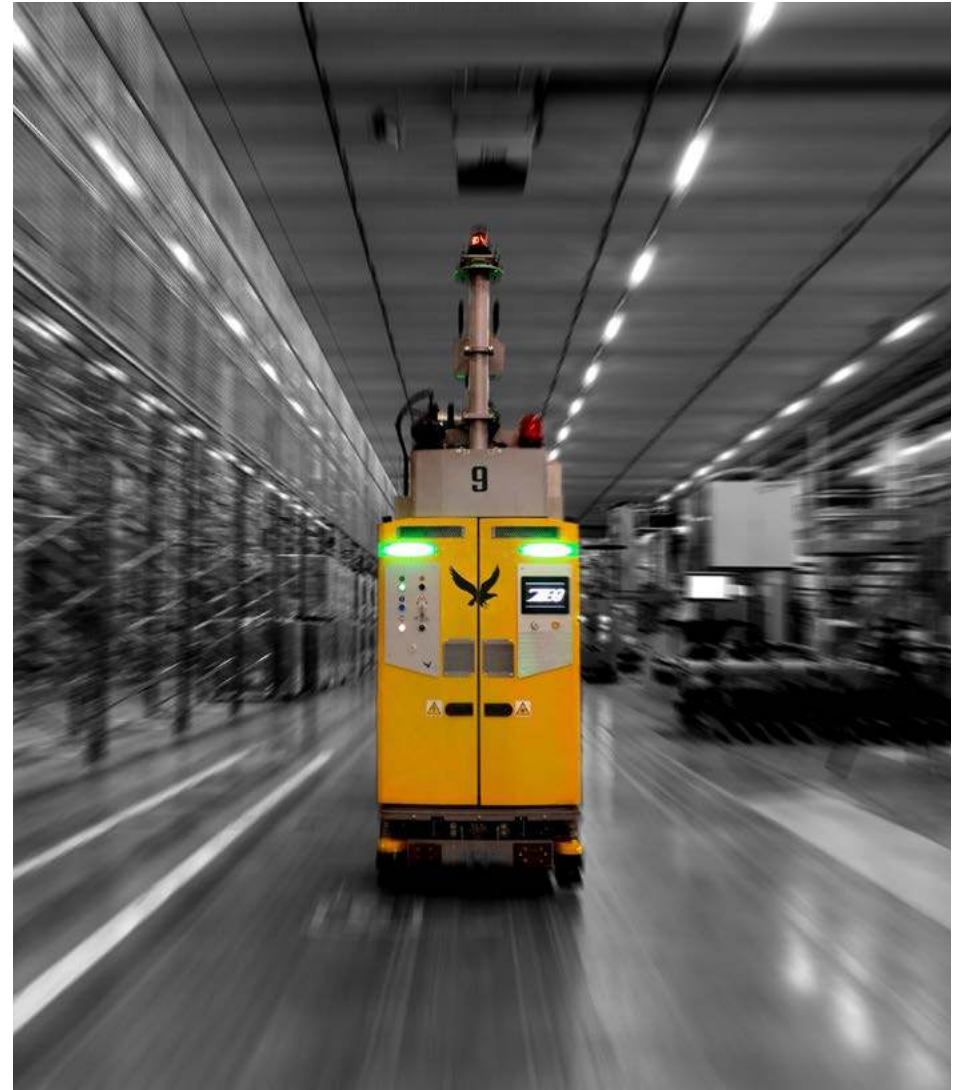
take-proof systems, visual management, human error reduction tools and Lean methodologies

- **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



# Certifications

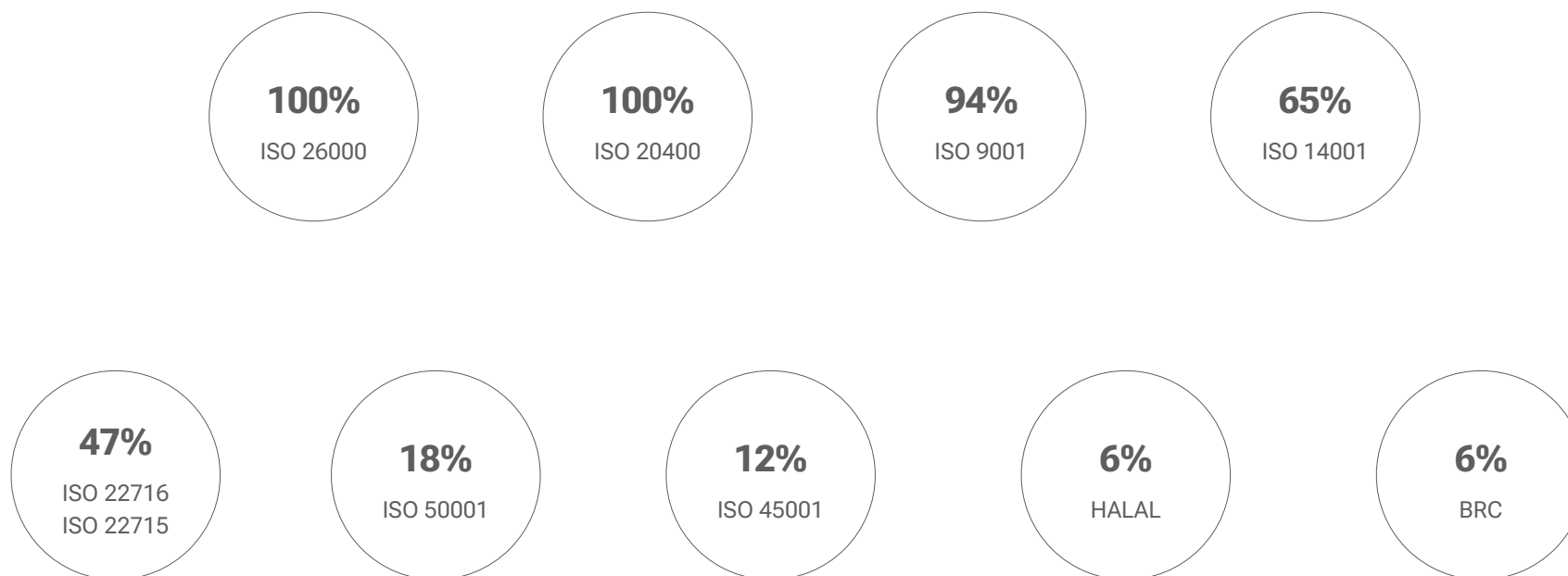
The commitment to reach the objectives of the 17 Sustainable Development Goals and the adoption of voluntary technical standards are intricately connected. In fact, standards not only support the three pillars of sustainable development (economic, social and environmental), but they also respond to specific 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 2022, it achieved these new certifications:

- ISO 9001 in Coster Robotics and Central Warehouse

- ISO 14001 in site Coster Robotics, Central Warehouse and Coster B&S
- ISO 22715 - 22716 in Central Warehouse
- ISCC+ in Costerplast and Central Warehouse

The next chart provides an overview of the Certification achieved at Group level until 2022; every ISO Standard has been associated with the SDGs numbers fulfilled in Coster ([" - pag. 87](#)) among the ones officially assigned by the ISO body to the Standards themselves



# Risk management



Coster is committed to managing and mitigating the risks to our business, and its risk assessments cover 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. 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.

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<sup>32</sup>.

# 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 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 data and protecting it 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 clients' data and information must be available and usable on the client's side.

Some initiatives were 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.
- Implement the Privileged Access Management (PAM) software as a fundamental as-

set to mitigate cyber-attacks and prevent from hacker's infiltrations within organization.

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

## 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<sup>33</sup>. 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 were identified, Coster worked to conform to the European Union's GDPR – General Data Protection Regulation, enforced from May 25<sup>th</sup>, 2018 – through the creation of the cyber solutions, procedures, policies and tools needed to comply with the Regulation. This system deployment through the Organisation must be capillary spread using different means to successfully reach all recipients.

<sup>32</sup> GRI 2-12

<sup>33</sup> GRI 418-1

## ERP – Migration to SAP

In 2022 the migration from ERP to SAP S4 Hana went live in USA and Netherlands. The roadmap envisages the go-live execution in Spain manufacturing facility within 2023, then completing the roll-out in all remaining extra-EU subsidiaries starting from 2024, to finally connect the whole Group with a fully regulations-compliant tool responding to Coster real needs. Coster achieved with SAP the global footprint and advanced interrelation 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 process 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, system scalability both vertically and horizontally, modular but integrated approach to work that best fits our reality. Modernity and quality through mistake risk reduction, rigour with agility, control with streamlining, full traceability and clear reporting were the keys to develop the new Group ERP based on a process flow structure. Data security related to SAP were 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

All Coster companies are now connected to a new internal portal (Coster New Network), with updated security standards and sufficient bandwidth, allowing them to perform routine tasks more easily and efficiently.

As far as business activities interruption, Coster set up measures aiming at reducing the risks and consequences caused by computer and communication systems breakdown.

The cyber risk management involves:

- data and servers' protection: through online mirroring of major data archives, servers virtualisation with regular back-ups using electronic and tape back-up, multistore robotic libraries, high technology data compression system, hardware redundancy, connectivity controls. Different back up strategies are in place to achieve maximum reliability. ERP software is centralised. There are written policies for disaster recovery, systems restore, data retention and protection, use of computer assets.
- 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 means of communication, including Internet and emails, Microsoft Share-

Point and Microsoft 365 were set up to manage different functionalities and improve collaboration among facilities



# // ENVIRONMENT



GREEN ENERGY (electricity supply)

**83%**

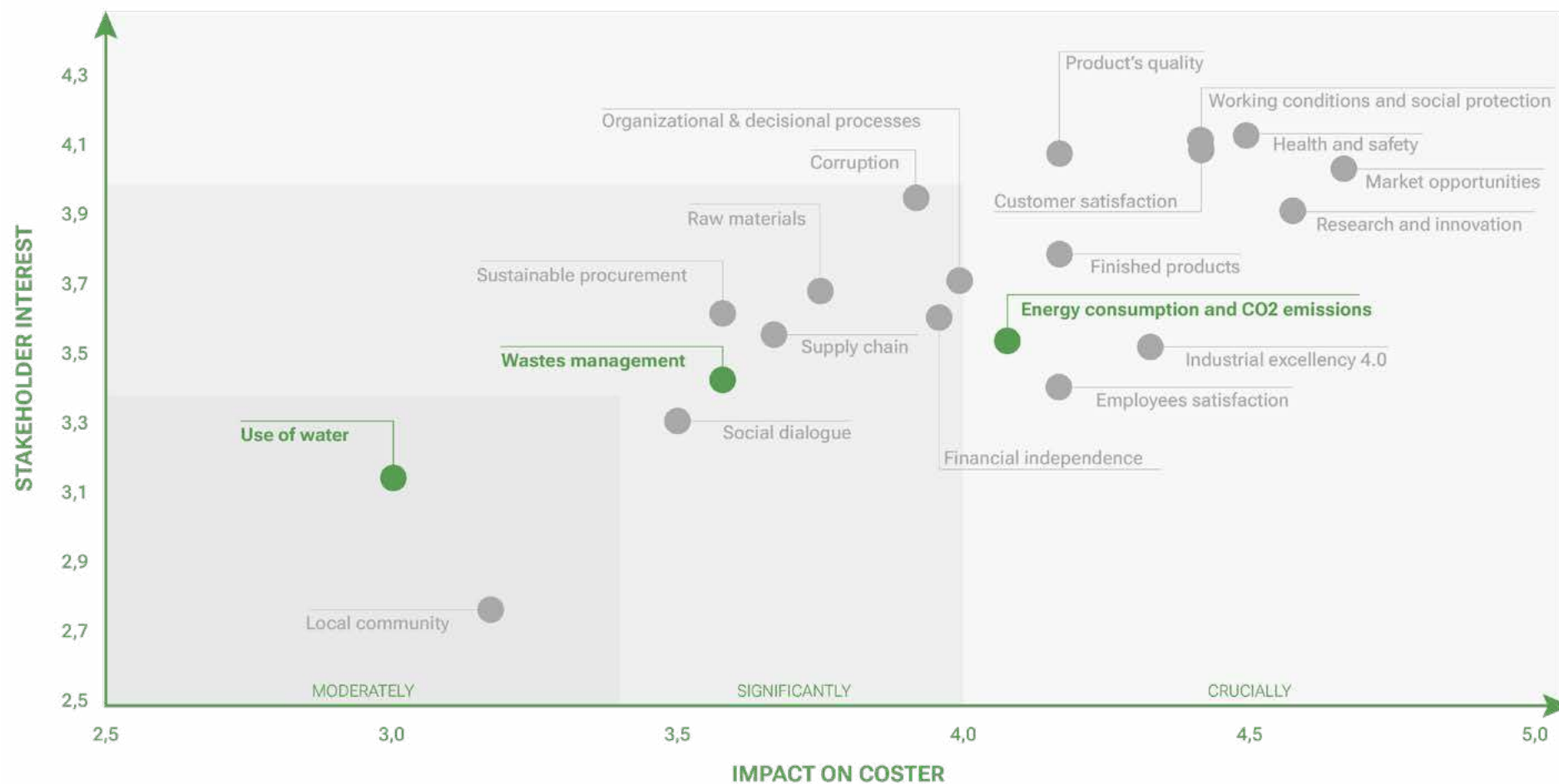
SCOPE 1&2 MARKET BASED CO<sub>2</sub>e EMISSION  
vs 2021

**-42%**

WASTE TO LANDFILL  
vs 2021

**-3%**

# 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 minimise the impact our operations have on the environment.

Furthermore, Coster aims to embed environmental sustainability as a business mindset because it believes that business success and sustainability are mutually beneficial. Here the company keeps implementing sustainable practices to achieve better operational per-

formance in environmental management. To pursue the specific targets, will be implemented appropriate measures in the material 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
- CO<sub>2</sub> 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 as part of the New Plastic Economy Global Commitment. Coster strives to implement best practices and tools for products life cycle assessment (LCA), to measure

and reduce impacts throughout the nature-to-nature flow and disposal scenario

Coster is fully aware that water is an essential element for the well-being of the environment and constantly aims to preserve its integrity by reducing its impacts on water sources as far as possible. Coster is committed to regularly assessing, measuring and addressing all environmental aspects, as indicated by laws or that have any type of impact on local pollutions. In this framework the company pursues the materials consumption reduction, with priority given to hazardous and chemicals, and the preferred selection of those generated from renewable resources and meeting the goals of full recyclability and circular economy.

Coster ambition is sharing its environmental best practices with its stakeholders, through the network of suppliers and business partners, also supporting sustainable development and consumption in the local communities joining forces with the territory where it operates.



# Energy consumption



By its nature of energy – consuming manufacturing<sup>34</sup>, 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 employs various types of energy in all its processes (*“Table 2: Energy con-*

*sumption” - pag. 83, “Table 3: Fuels consumption (kWh)” - pag. 84 & “Table 4: Electricity consumption (kWh) included self-consumption” - pag. 85*). The main consumption is electricity (89%), used in all production processes and auxiliary activities and, to a lesser extent, fuels such 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 purchased                     | 5.609.697  | 5.609.697     | 0          |
| Diesel for Heat and other purposes | 219.404    | 219.404       | 0          |
| Natural gas for Heat               | 5.390.293  | 5.390.293     | 0          |
| Purchased electricity              | 48.613.233 | 8.351.683     | 40.261.550 |
| Purchased from the grid            | 48.373.942 | 8.351.683     | 40.022.259 |
| Self-consumption                   | 239.291    | 0             | 239.291    |
| Purchased heat                     | 476.042    | 0             | 476.042    |
| Heat purchased from the grid       | 476.042    | 0             | 476.042    |
| Total consumption                  | 54.698.972 | 13.961.380    | 40.737.592 |

## TOTAL ENERGY CONSUMPTION - kWh

(purchased from the grid and self production)

(48.373.942 kWh)

(239.291 kWh)

(476.042 kWh)

(219.404 kWh)

(5.390.293 kWh)

## TOTAL ENERGY CONSUMPTION - kWh

(purchased from the grid and self production)

-3%

2021

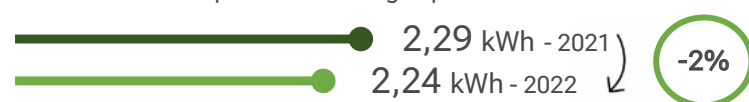
2022

The main uses of electricity are for anodization, injection moulding and assembly processes. Coster decided therefore to define 'energy intensity ratios'<sup>35</sup> by normalising electricity consumption data using as a reference the amount of plastic processed and the volume

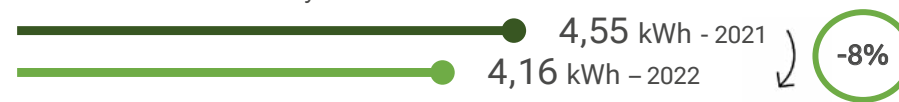
of finished product assembled. In this way, Coster can properly assess the trend of energy consumption in each process and evaluate the best action to take.

#### ENERGY INTENSITY RATIOS FOR THE MAIN PROCESSES - kWh

Normalised for the production of 1kg of plastic



Normalised for the assembly of 1000 items



### Initiatives

As every year, Coster improves its facilities and processes through the establishment of different initiatives<sup>36</sup>, "Table 5: Reduction initiatives planned" - pag. 86, aimed at achiev-

ing the established objectives. The following represents the data of the energy saving measures planned for the coming years:



25

Initiatives



2,54

Annual energy saving  
(GWh)



1.067

Annual emissions saving  
(ton CO<sub>2</sub>e)

<sup>35</sup> GRI 302-3

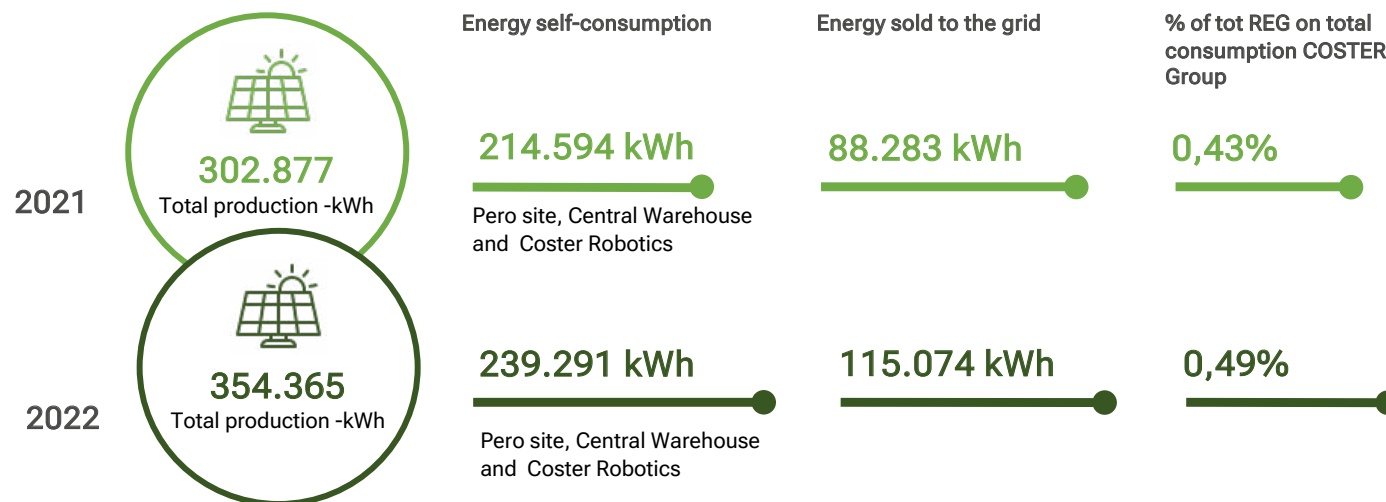
<sup>36</sup> GRI 302-4

# Renewable energy

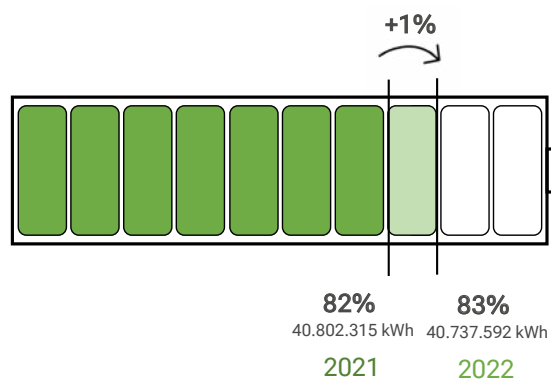


Coster plans to source renewable energy where it's offered and available. This can be achieved by combining on-site production (solar cells), direct purchasing of biogas or green power from the grid.

The new solar plants installed during 2021, together with the existing plant at our Pero offices, have generated the following results in 2022:

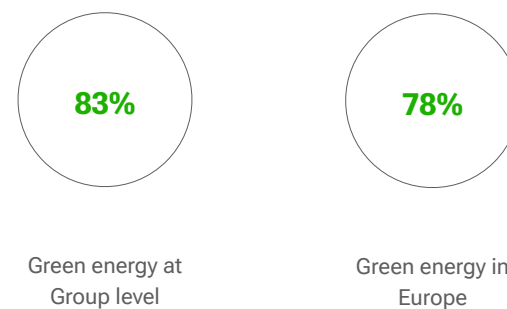


There is a slight increase, 17%, probably due to the fact that in 2021 they did not generate energy for the whole year. this technology represent less than 0,5% of total consumption so is still residual within the group's energy pull. (*"Table 5: Reduction initiatives planned" - pag. 86*).



## Green purchase from the grid

The following figure shows the amount of energy purchased from renewable sources at corporate level (*"Table 6: Renewable energy" - pag. 89* and *"Table 7: Green energy purchase (self-consumption included) kWh" - pag. 90* for detailed information):



## Data interpretation

- As every year, the initiatives detailed in *"Table 5: Reduction initiatives planned"* - pag. 86 help improve corporate energy efficiency
- Coster reduced its energy consumption by 1%. This reduction hides an increase in consumption due to increased activity in Coster 4, Coster Robotics, Catidom, Coster Spain, Coster UK and Coster India, with reductions due to decreased production at the remainder of the sites

- Despite the purchase of green energy in India for consumption in 2022, the final result is worse due to the inclusion of Catidom and its high consumption of non-green energy
- Intensity ratios decreased in both the injection moulding and assembly processes, proving that efforts to increase process efficiency are paying off. Coster does not already have enough data to show a ratio for the anodizing process



# Carbon emissions



Coster adheres to the Carbon Disclosure Project initiative for Climate Change, thus making the set of data

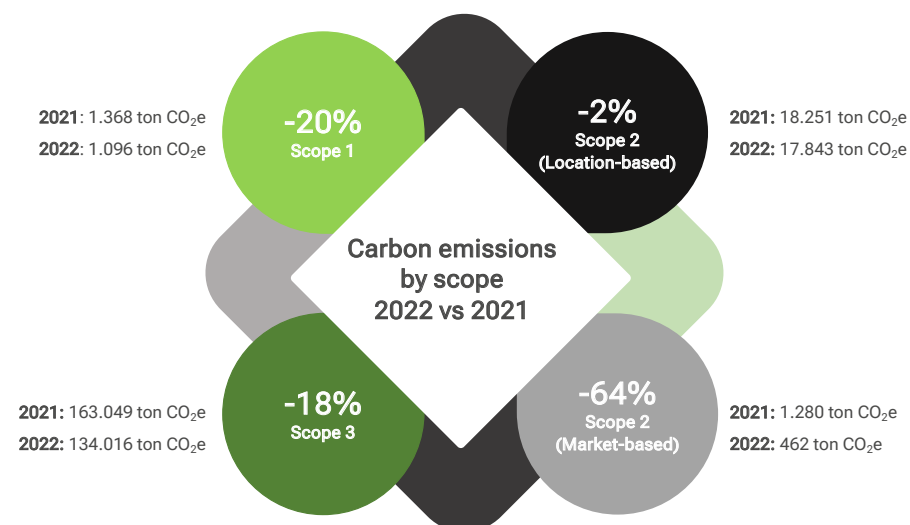
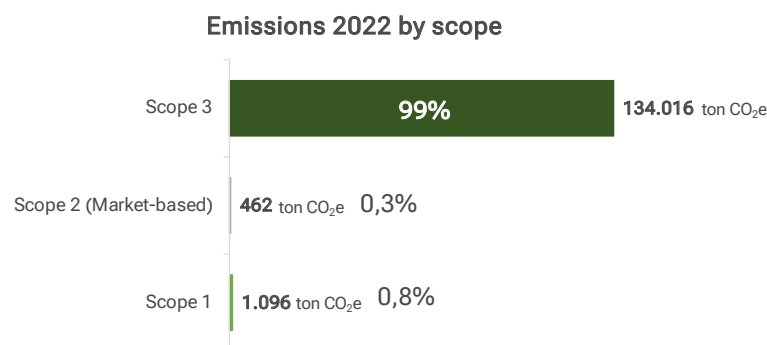
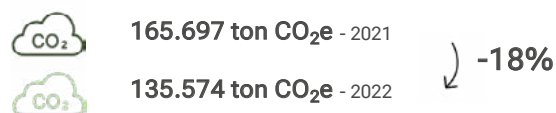
and breakdowns emissions, performance and targets, risk and opportunities, and strategies available in a transparent way, also validated (for Scope 1 & 2) on annual basis by an external accredited company conducting on-site audit. Emissions metrics and methodology indicated by CDP are fully respected.

In 2021 Coster Group's most ambitious carbon emissions project was to add Scope 3 to

the long-established Scope 1 and Scope 2, committing to set one or more targets in 2023 in line with a 1.5 °C warming scenario and net zero future.

The following figures recap the emissions data reported in CDP Climate Change 2022 under Scopes 1, 2 & 3<sup>37</sup> for direct and indirect emissions. The progress for year 2022 will be reported in the next CDP submission (for more information "[Table 9: Scope 1 emissions \(Tn CO2e\)](#)" - pag. 92, "[Table 10: Scope 2 emissions \(Tn CO2e\)](#)" - pag. 93 and "[Table 11: Scope 3 emissions \(Tn CO2e\)](#)" - pag. 94).

## Total carbon emissions at group level (scope 1, 2 & 3)



In order to better understand the carbon emissions emitted by Coster, has been defined a "Intensity ratio"<sup>38</sup> for the Scope 1 and 2. For the first one, the emissions per m<sup>2</sup> surface

heated have been measured, and in the second one per mln of product units sold (for more information "[Table 8: CO2e emissions](#)" - pag. 91):

<sup>37</sup> GRI 305-1, 305-2, 305-3

<sup>38</sup> GRI 305-4

## Data interpretation

- Coster emissions were reduced by 18% at group level compared to 2021, due to a decrease in Scope 1 (consumption reduction), Scope 2 (purchasing green energy) and Scope 3 (better accounting by avoiding duplications).
- Scope 1 emissions were reduced by 20% due to the decrease in consumption caused by reduction initiatives and rising temperatures mainly in Europe.
- 64% reduction on the Scope 2 (Market-based) were achieved thanks to the energy purchased from renewable resources.

### CARBON EMISSIONS INTENSITY RATIOS

#### SCOPE 1

Emissions per m<sup>2</sup> surface heated



**-7%**

**2021:** 16,68 kg CO<sub>2</sub>e/m<sup>2</sup>  
**2022:** 15,46 kg CO<sub>2</sub>e/m<sup>2</sup>

#### SCOPE 2 (LOCATION-BASED)

Emissions per mln of product units sold



**-3%**

**2021:** 4,22 ton CO<sub>2</sub>e/mln  
**2022:** 4,08 ton CO<sub>2</sub>e/mln



# 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 domestic uses (toilets, showers, canteens, etc.). water, once used, is always discharged in compliance with the legislation in force in each country with a low pollutant load<sup>39</sup>.

All water used is fresh water taken from ground water and from public/private water utilities. Coster does not consume water from water-prone areas and does not have significant water storage beyond that required for emergency facilities.

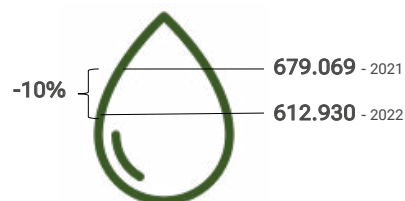
Nevertheless, Coster is fully aware that water is an essential element for the environment well-being and constantly aims at preserving its integrity by reducing as far as possible its

impacts on water sources. Coster aim is to continue this conscious approach, trying to integrate water-saving activities and sensitising its employees to use water more wisely.

On the basis of the total amount of 4.375.078 (Q/1000) of products sold by Coster Packaging Division in 2022, with a decrease of 11% from 2021, 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.

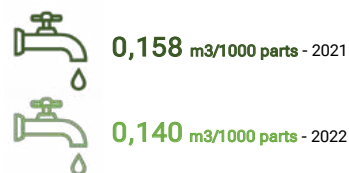
The following figures show the water consumption<sup>40</sup> in the baseline period and the variation from 2021 onwards (*"Table 12: Water consumption" - pag. 95* for more information):

## Total water usage (input)



## Water consumption

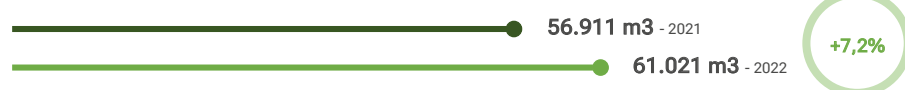
normalized by number of sold finished parts \* 1000



Water withdrawn by ground water (return to nature)



Water consumed by municipal/public water or private water utilities



## Data interpretation

The reduction in water consumption, both in absolute terms and in intensity, around 10%, can be explained by the reduction of production in injection moulding factories and the inclusion of Catidom with a high efficiency water process.

With regard to the origin of water, there has been a significant reduction in the use of groundwater, which is mainly used for injection processes

The increase in municipal water is closely related to the increase in Coster's workforce

<sup>39</sup> GRI 303-1

<sup>40</sup> GRI 303-3, 303-5

# Waste management & recycling



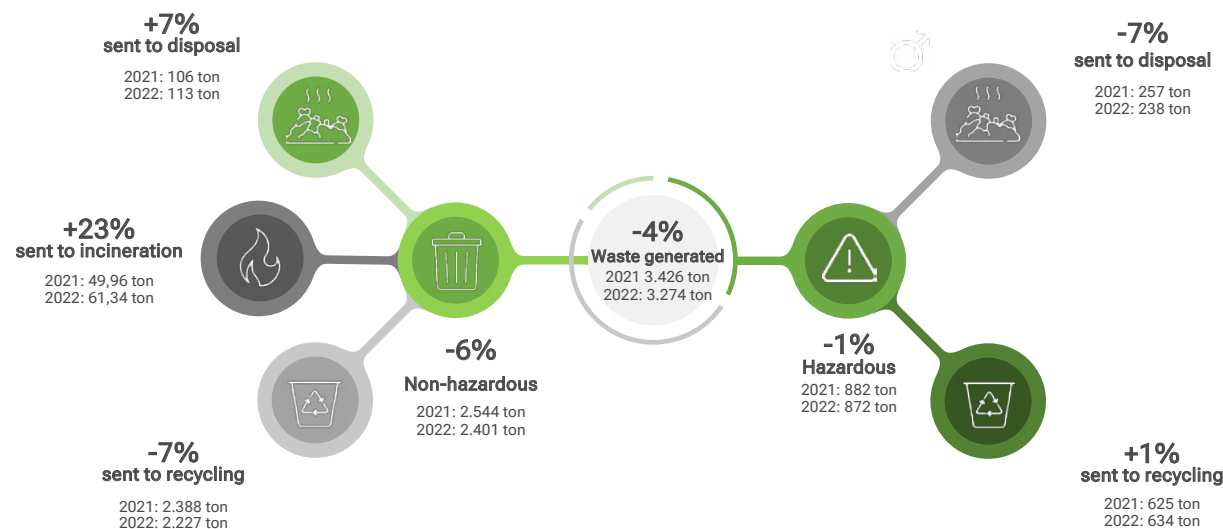
In the spirit of reducing material consumption, environmental impacts of the disposal scenarios, and

fostering the circular economy, including following up on the New Plastic Economy Global Commitment (see our performance at [EMF website](#)), Coster 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 increasing the quantity sent to any form of recovery. The company strives to recycle what cannot be reused. If neither reuse nor recovery is possible, waste is disposed of using the available method that has the least environmental impact (e.g., waste-to-energy conversion) with landfills used only as a last resort.

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<sup>41</sup>.

Coster does not transport waste neither in country nor abroad.

On the basis of the total amount of 4.375.078 (Q/1000) of products sold by Coster Packaging Division in 2022, +1% from 2021, Coster calculates the quantity of waste generated to produce 1000 finished items. Such volumes of sold products are taken from the annual Group Sales Report, excluding figures relevant to special products and components, for homogeneity with previous years calculation. The figures below represent the waste management<sup>42</sup> (for more information "[Table 13: Waste management](#)" - pag. 96).



## Data interpretation

- Despite the inclusion of Catidom, Coster achieved in 2022 a 4% waste reduction from the previous year, thanks to 1% decrease in hazardous waste and 6% in non-hazardous
- The journey towards landfill free started in 2021 and it is expected to be achieved by

2026. In 2022 Coster reduced by 3% the waste sent to landfill, both hazardous and non-hazardous, and this proves, for the second year in a row, that the chosen path and the tireless dedication of all the staff are paying off

- Increased segregation, internal recycling of some waste, as well as close co-operation with local waste managers and other stakeholders have been, are and will be the key aspects to achieve company's goals

<sup>41</sup> GRI 306-2

<sup>42</sup> GRI 306-3, 306-4, 306-5

# Environmental management



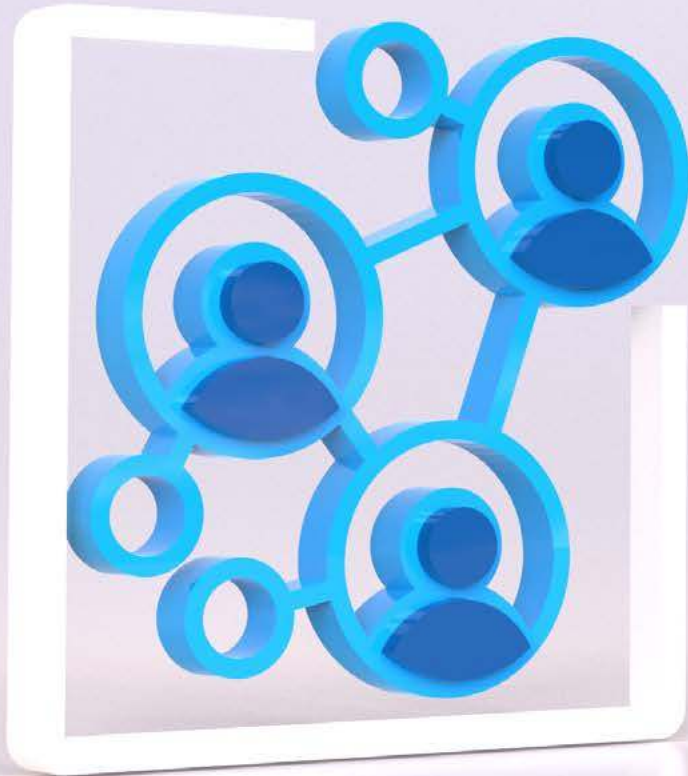
Thanks to an accurate environmental management and a progressive ISO14001 Certification extension to all operations, in 2022 no monetary fines on environmental matters and no legal disputes were identified in Coster plants. Furthermore, in 2022 no spills occurred.

Regarding to Biodiversity, none of the plants is located within 2 km of an area protected by local legislation<sup>43</sup>.



<sup>43</sup> GRI 304-1

# // COMMUNITY



PEOPLE (FTE)

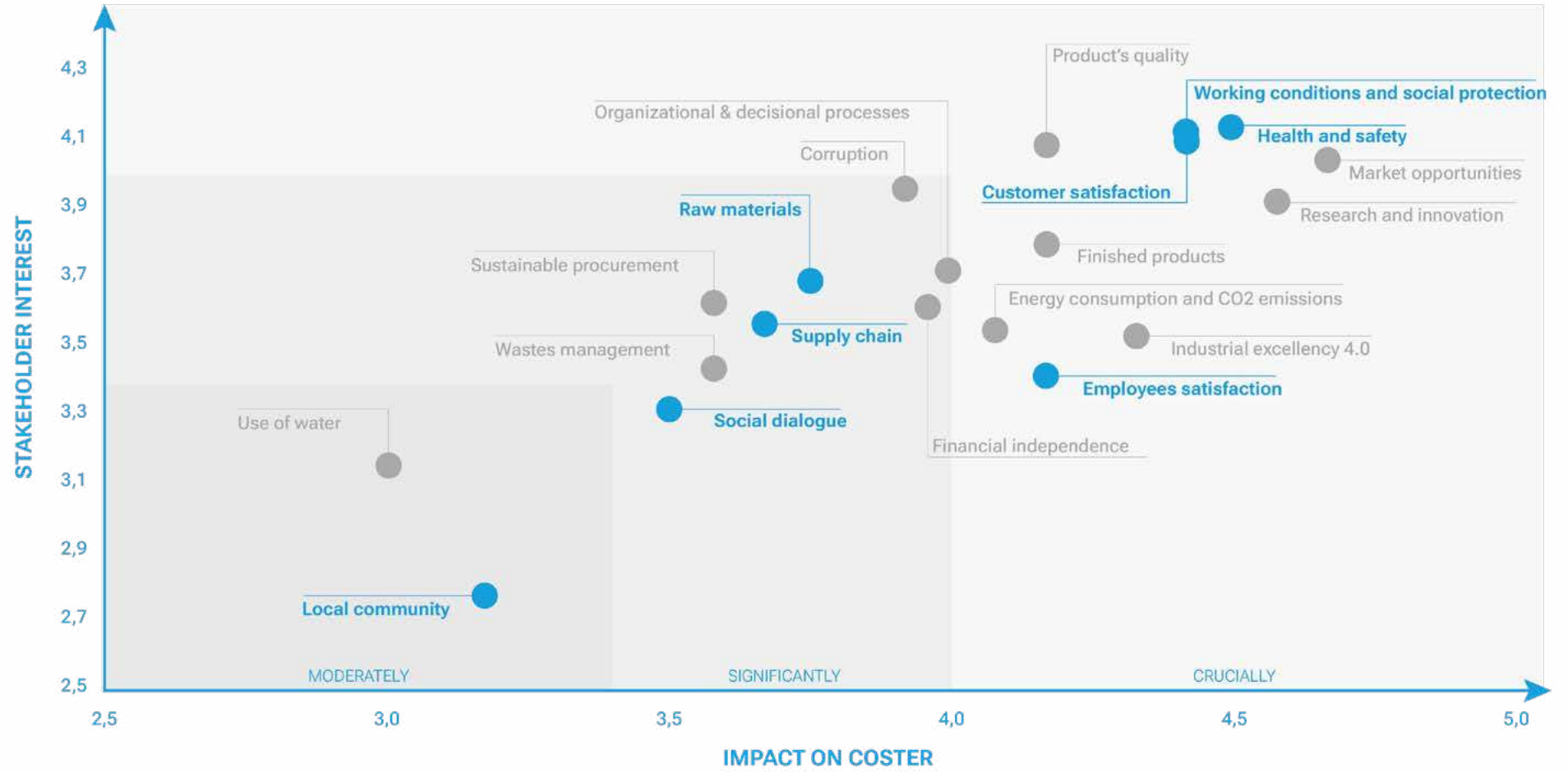
942

TRAINING

9934  
hrs

COMMUNITY PROGRAMS

COSTER  
Cares



## Local communities<sup>44</sup>



Despite the topic “Local Communities” resulted moderately material from both Coster and Stakeholders in the Materiality Matrix, Coster’s efforts toward 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. 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 produce 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 minimise consumptions.

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

**On local economies:** Coster’s employees are mostly hired by area municipalities and represent a relevant source of direct and indirect income for families, industry and commerce in the areas of operations, by generating wealth and employment opportunities. By hiring local employees, Coster is able to minimise transport-related environmental impacts as well. Furthermore, Coster collaborates with local companies by purchasing products, services and assistance, also contributing to their growth along with Coster in terms of know-how, skills, best practices and capabilities. This is how Coster produces turnover in



different economies thus leveraging the global scale but remaining locally connected with the territory where we operate. Solidarity sourcing initiatives will be evaluated wherever valid opportunities arise.

**On social footprint:** Coster is locally active and has always included the well-being of its employees and communities in its business policy of continuous investments on modern and ergonomic structures, with the aim of providing its employees with excellent Health & Safety and conditions (attention to their working environment and cleanliness of 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 proactive collaboration with trade unions build up Coster's approach to human resources. Any kind of abuse, labour coercion and discrimination in any form of penalising diversity, nor any violation of human rights, whatever the stakeholders may concern, are not tolerated.

The company is actively involved in civil society with a miscellaneous of initiatives addressed to local communities.

**Education and schooling** represent Coster credo, in which the company recognises itself 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 local administration, whereas there is a mutual beneficiary relationship. 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.

This policy has in the social part of CosterCares project a clear reflection of its content and therefore its results are presented below.

## The facts and initiatives

### • Education and Schooling

With the experience gained in previous years, several actions were carried out in 2022 under the Coster Cares programme:

In 2020 Coster India started to support **Bright Futures**, an after-school education centre, a community and safe hub in Gazipur, one of the poorest slums in Delhi. Born from an individual initiative, this small organisation grows every year with very limited resources providing a nursery, education, focused classes, e-learning, restoring, blossoming of po-



tentials, fostering self-esteem, attention, and occasions for celebration. Therefore, in 2022 Coster made the first donation on behalf of the entire company to the after-school in India, supporting 3 projects: upgrade in technology, upgrade the terrace, and growing the team.

Once a year the **Coster Academy** takes place in our Italian facilities. This initiative consists of the invitation of a group of students to see our facilities and learn about some subjects that Coster are highly-specialised business with the main focus on sustainability. Last year it was held at the Coster 1 site, which lasted 3 days and participated 14 students from a technical-professional school located nearby Coster companies.

During 2021 in Italy Coster launched an initiative to provide the local communities of Calceranica and Caldonazzo with online workshops. Also, the seminars became part of the CosterCares program in order to support Coster workers and local communities to tackle personal and family difficult situations. In 2022, Italy and Argentina which has the largest workforce, started holding 3 and 2 **well-being seminars** respectively. This action will be extended to all subsidiaries in 2023.

Other initiative of the program which was held in 2022 in the Italian sites, is the **vocational guidance for employees' children** which aims to make it easier to Coster workers to face critical transitions of their daily life as parents as the high school and/or university to attend.

Costertec in Spain launched an access-to-work partnership addressed to students of "Fundació Eduard Soler" (FES), a vocational training centre specialised in mechatronics and industrial programming. Likewise Costerplast has done with local technical schools.

#### • Social inclusion

Regard with the 2nd pillar of CosterCares program, Coster aims to reach disadvantaged people (inside or outside Coster staff), accounting for min 2% of the Coster FTE by 2026. The idea is to create an inclusive environment, opening new opportunities for people with limited access to the labor market, although being fit for the job, also through training and development opportunities. Other actions carried out in 2022 which are align with this initiative are:

- Coster B&S works 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.
- Costertec reached an agreement with TAC OSONA, a company dedicated to the inclusion of workers with physical and mental disabilities, to permanently provide 2 workers and a monitor in its facilities.
- **Solidarity Initiatives**

Among other voluntary contributions to charity events or donations by Coster companies to the local humanitarian, health and social care associations, include:

- Unicef, Bomberos Voluntarios, Fundación Fátima, Fundación Pílares and Fundación San Jose Providente in Argentina,
- Torneig de Pàfel St. Tomàs, Germanetes dels Pobres, Festival del cinema de Muntanya and Pabordes de Rocaprevera in Spain,
- Sponsor the local amateur soccer team and an initiative for handicapped kids in Coster B&S,
- University of Illinois in USA<sup>45</sup>

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

In addition, in 2022 and within the CosterCares programme, 3 volunteer actions have been carried out, 2 in Italy (cleaning of public areas) and one in Argentina (restoration of a children's playground). These actions will be replicated in 2023 in all group companies.

## Employees



In 2022 Coster counted **942 employees FTE (Full time equivalent)**<sup>46</sup>. The figures are very similar to those of the previous year, with a 4% decrease in male employees and a 10% increase in women, which

is in line with the significant increase in female recruitment and CosterCares programme (*"Table 14: Total workforce by geographic area (FTE)" - pag. 97 - "Table 17: Temporary employees by region and gender" - pag. 98* for more information).

Almost all of our senior managers, plant managers and direct reporters come from the

<sup>45</sup> GRI 2-28

<sup>46</sup> GRI 2-7



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 of the employees belong to the surrounding community facilitates both Coster's activities in the region and the relationship with the community<sup>47</sup>.

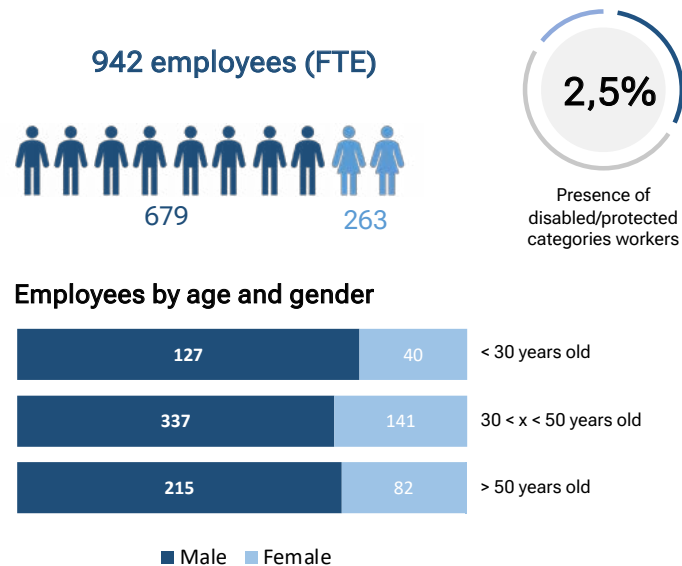
There is no significant portion of the organisation's activities performed by workers who are not employees<sup>48</sup>.

Considering diversity as a company richness as a corporate asset, Coster pursues an inclusive workplace that enhances everyone's contributions to the company, enabling em-

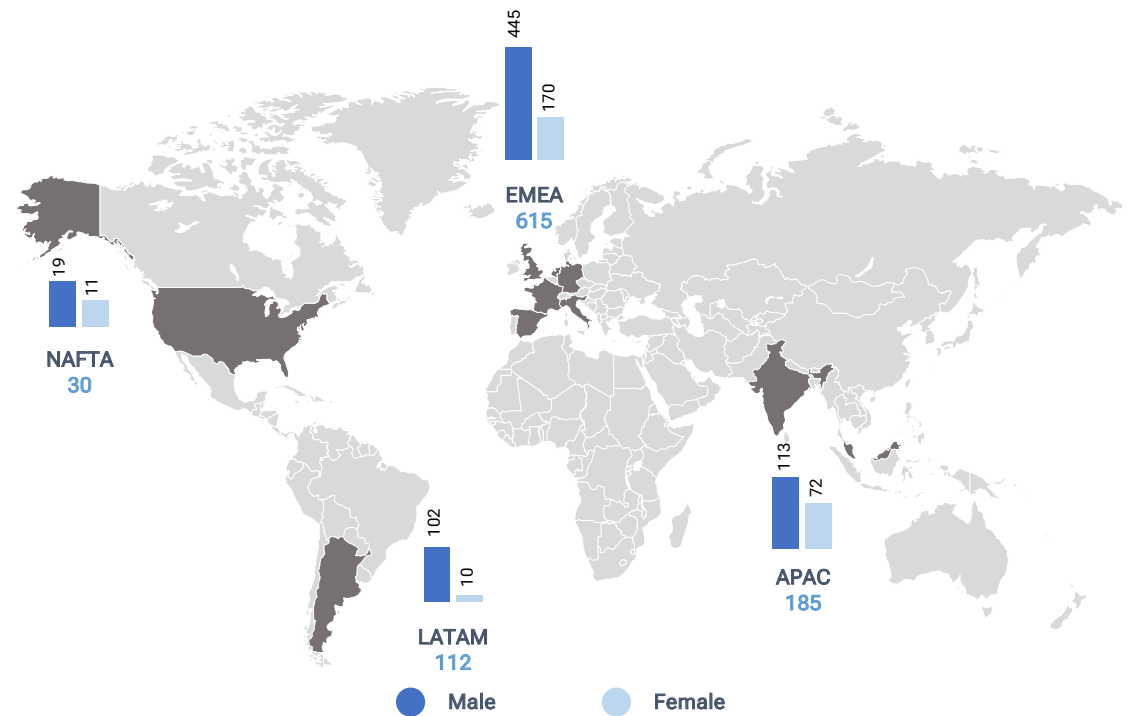
ployees to collaborate in ways that break down barriers and transform differences into strengths.

For that reason, Coster is committed to ensuring equal employment opportunities for all members of the 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 processes are clearly communicated to employees when hiring and formalised in the employment contract. Meetings and social dialogue are the channels used to communicate interactively about working conditions.



#### WORKFORCE BY GEOGRAPHIC AREA AND GENDER



47 GRI 202-2

48 GRI 2-8

## New hired personnel<sup>49</sup>



In 2022 Coster hired 171 new employees, 18% less than the previous years, due to declining in activity in some factories.

In addition, 44% of the new hires are in the under-30 age group and those over 50 represent less than 10% (*"Table 18: Full time employees by region and gender" - pag. 98* and *"Table 19: Part time employees by region and gender" - pag. 98*).

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 largest staff recruitment occurred in EMEA due to business growth and in APAC for the new Indian site in Neemrana (*"Table 20: New hires by gender (nbr & ratio)" - pag. 99*).

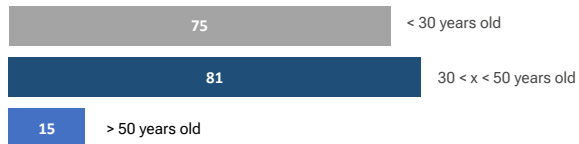


**171 New hired personnel**

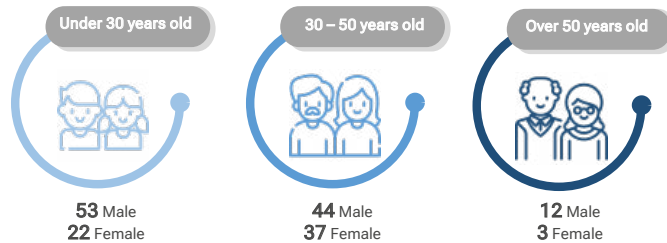
109 Male

62 Female

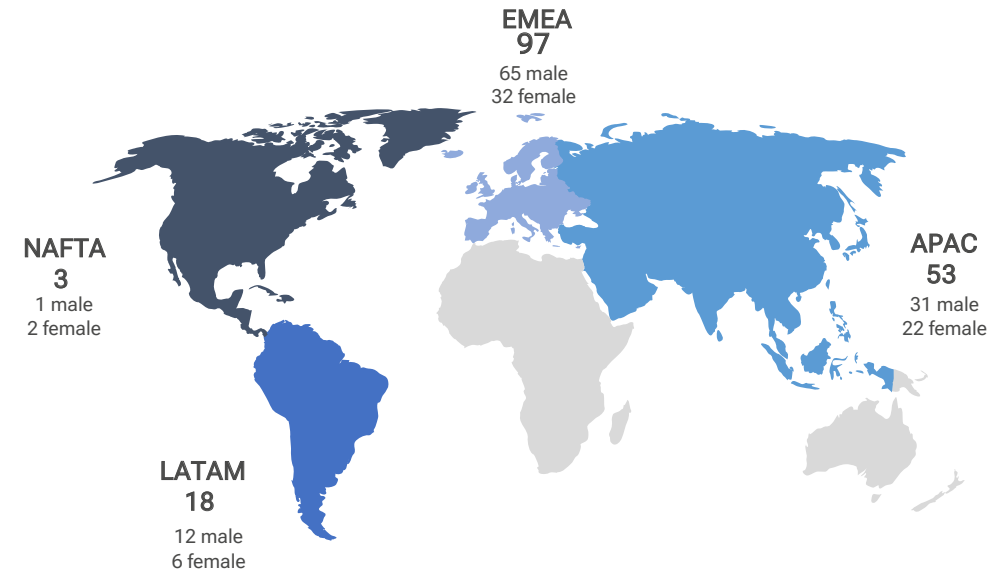
### EMPLOYEES BY AGE



### NEW EMPLOYEES HIRED BY AGE AND GENDER



### NEW EMPLOYEE HIRES BY REGION AND GENDER



<sup>49</sup> GRI 401-1

## Turnover rate



In 2022, the effects of the war in Ukraine, with a resulting increase of energy and raw material prices in all regions, continued to be significantly felt, so staffing levels had to be adjusted. turnover<sup>50</sup> values are 12 % lower than the previous year and are in line with the higher values of new hires by region. (“Table 21: New hires by age (nbr & ratio)” - pag. 99 and “Table 22: New hires by gender & geographic area (nbr & %)” - pag. 99).

In the regions with small sites and few employees, the resignation or the hiring of single individuals result in large percentage impacts 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 is reflected in major turnover fluctuations.

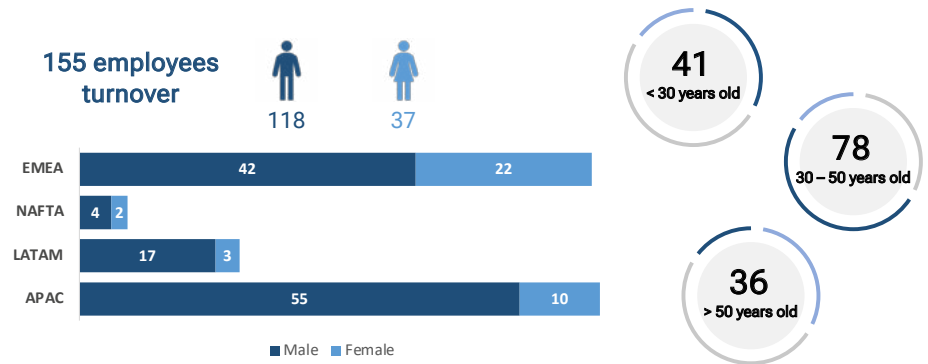
## Training



Coster continues to invest in the organisation's human resources, both to secure talent and to provide employees with opportunities throughout their entire careers. This approach pushes employees to dynamism and job rotation, driving openness, sharing of competence and experience, awareness and commitment, personal and career progression.

There was a significant decrease in registered training in 2022, a situation that we would like to reverse with the goal of getting as close as possible to the 20 hours per year per employee set in the new Sustainability Roadmap (for more information, “Table 23: Turnover number & rate by region and gender” - pag. 100)<sup>51</sup>

The CosterCares programme includes wellbeing seminars aimed at providing workers with useful tools to manage everyday situations more effectively. These seminars were held in Italy and Argentina in 2022 and will be extended to all sites in 2023.



## 9.934 hours of training and education



**14,20**

Avg training hours by female



**7,66**

Avg training hours by male



<sup>50</sup> GRI 401-1

<sup>51</sup> GRI 404-1

## 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 in and is

committed to achieving 50 % representation of women and men in all parts of the company, with the aim of giving its male and female employees equal opportunities and treatment. One of the ways in which inequality manifests itself is in remuneration<sup>52</sup>. The following table shows the salary ratio of women vs. men grouped by occupational group:

|                                              | Directors-Managers | Middle Management | Administrative-Operators |
|----------------------------------------------|--------------------|-------------------|--------------------------|
| Coster Tecnologie Speciali SPA               | 0                  | 1,01              | 1,03                     |
| Costerplast (Italy)                          | 0                  | 0                 | 0,96                     |
| Tecnocoster (Italy)                          | 0                  | 0                 | 1,03                     |
| Coster SARL (France)                         | 0                  | 0,98              | 0                        |
| Catidom (France)                             | 0,9                | 1,09              | 0,9                      |
| Costertec (Spain)                            | 0,80               | 1                 | 0,98                     |
| Coster Ltd. (UK)                             | 0,74               | 0                 | 0,86                     |
| Coster B&S (Holland)                         | 0                  | 0                 | 0,97                     |
| Coster GMBH (Germany)                        | 0                  | 0                 | 0,65                     |
| Coster USA Inc.                              | 0,60               | 1,18              | 1                        |
| Coster Packaging, S.A. (Argentina)           | 1                  | 1                 | 1                        |
| Costerpack Manufacturing, Sdn Bhd (Malaysia) | 1,09               | 0,46              | 1,33                     |
| Coster India Packaging, Pvt Ltd              | 1                  | 0,86              | 0,79                     |

The “0” value means that there is no presence of either gender in that group of workers. The cases of bigger gaps within the same age group are generally due to a few workers representing their gender, and in these cases, some inhomogeneities in job profile, responsibility, and seniority which explain differences despite category parity.



## Smeta IV Pillars audits

Coster guarantees compliance with all of the above points, as well as others included in the SMETA IV pillars standard, maintaining its programme of audits carried out by a qualified external body. These audits cover the labour practices and human rights, H&S, environment and fair business practices.

In 2022, Coster carried out the SMETA IV pillars audit in Coster Packaging Argentina and in the headquarters in Pero. For the coming years, an ambitious SMETA IV pillars audit programme has been approved to cover all Coster sites by 2025 and their reviews according to the applicable periodicity.

# Occupational health and safety



## Work accidents

Coster keeps pursuing the **goal of zero accidents** at corporate level, with the promotion of health and safety as a priority. As a result, the company is committed to complying with the requirements set forth in this area by the applicable regulations in all countries of operations, adopting a continuous improvement approach and providing all employees with a safe, healthy and productive work environment. Prevention and protection activities implemented include systematic risk monitoring, respect of deadlines for law-compliant operations, use of all necessary personal protective equipment, emergency tests, regular medical checks. Best practices and state-of-the-art technologies go hand in hand with continuous safety culture training to guide people's behaviours on a daily basis.

The ISO 45001 certification in Costerplast and Costertec, the Health & Safety management systems, the Governance Model, the SMETA IV Pillars audits, the CSR audits at suppliers, visitor induction are the means used by Coster to guarantee the safest conditions in each plant at all times and everywhere.

Additionally, all sites, except for Coster Benelux & Scandinavia and Catidom, have a formal

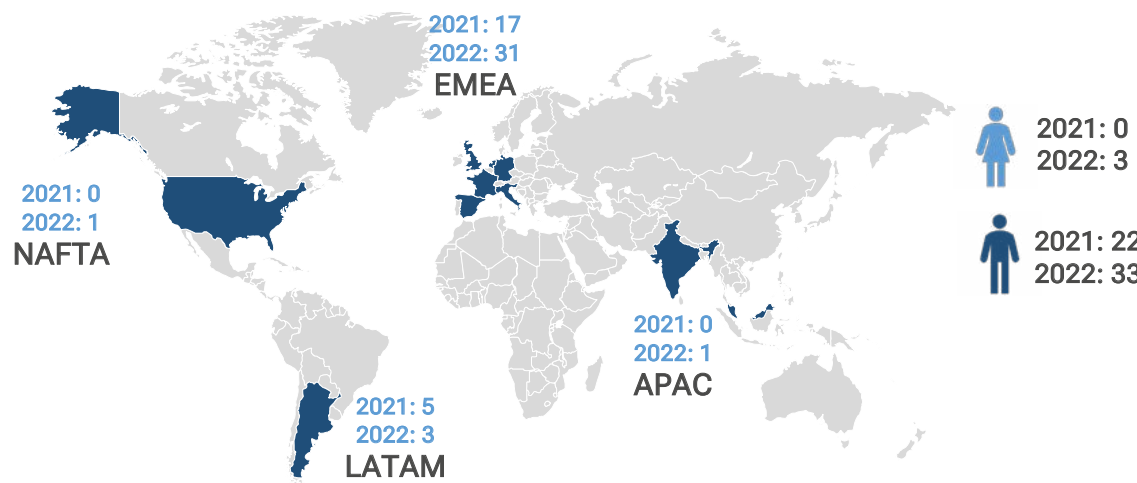
Health and Safety Committee that monitors programs and sets occupational health and safety guidelines. These committees represent 100% of Coster workers both white- and blue-collars.

## Methodology

Any workplace accident that causes one or more calendar days of absence from work was considered, excluding "in itinere" accidents (*"Table 24: Turnover number & rate by age group" - pag. 100*). The count of days of absence considers the calendar days, begins the day after the accident and includes Saturdays and Sundays.

For 2022 Coster calculated rates following the GRI standards and are shown by site in the related *"Table 25: Turnover by site and age group" - pag. 101* and *"Table 26: Training hours and average by gender" - pag. 101* 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 days) by total hour worked multiplied by 1.000.000" and Severity ratio "Number of days loss by work related injury by total hour worked multiplied by 1.000".

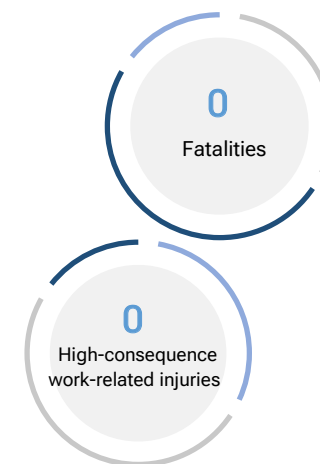
### NUMBER OF PEOPLE INJURED BY REGION



2021: 0  
2022: 3



2021: 22  
2022: 33



## Data Interpretation

- In 2022 no work-related fatalities occurred in Coster
- A total of 36 work-related injuries were recorded in 2022, most of which were mostly men who took blows or stab wounds<sup>53</sup>
- The total of 656 days of work loss correspond only to occupational accidents involving men, with a significant increase due to Catidom, that has the highest number, recording 515 days of work loss representing 79% of the total
- No accidents occurred to contractors' employees during 2022.

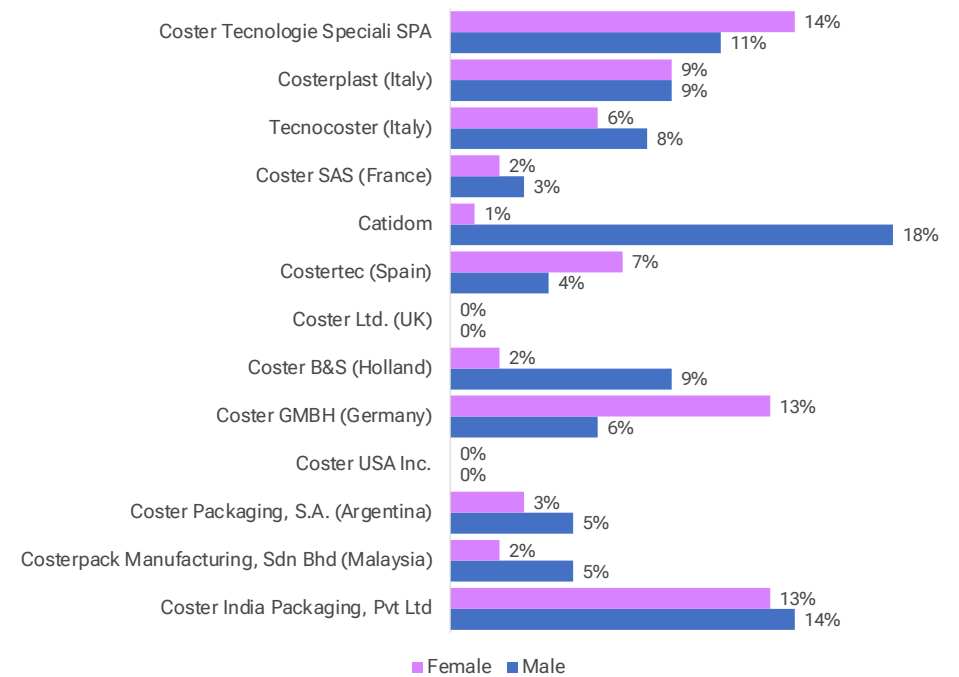


## Absenteeism rate



Considerations on absenteeism rates by gender groups can be borrowed from comments on safety comments. Hence injuries, the small number of staff in some facilities, also in terms of gender breakdown in some local cases, as well as some regional habits can explain the absence figures for reasons different from paid leave (*"Table 27: Average hours of training by employee category and gender" - pag. 102* for more details).

ABSEENTEISM RATE BY GENDER GROUPS



## 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 the focus has been on the final relocation process for the new Neemrana plant in India.

### Welfare

Some of the local initiatives that Coster facilities undertook in 2021 include:

- Benefits

In 2021 the corporate welfare flexible benefits was stipulated with WTW as well, which includes a wide package of goods and services alternative to the second level contractual bonus scheme available to Coster S.p.A. employees. Other benefits offered by the Group consist of redundancy payments over and above legal minimums, bonus and performance rewards, layoff pays, layaway plans, medical benefits and expenses reimbursements, pre-paid 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, flexible time to leave the company so as to avoid traffic jams, and for mothers, remote work 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 vaccine, psychological coaching, specialised cardiovascular check-up and medical screening, vaccination for business travels to certain foreign countries, training on correct lifestyle.

- Other initiatives

Coster personalised aluminium bottles to employees to avoid the use of disposable plastic cup, Christmas box, school supplies for children, Easter gifts, Father's and Mother's Day gifts, birth gifts, retirement gifts, scholarships, sport activities, meals and snacks.

## CosterCares program

The CosterCares 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 in the last quarter of the year. This activity consisted in giving technical training to talented manufacturing operators and students from technical and professional local schools regarding Coster's products and technologies divided into three modules (introductory, basic, advanced).

Under the first pillar of the program and in Italy as well, 3 online wellbeing seminars were launched for the employees.

The full activity plan will be put in action according to a geographic implementation roadmap. Progress and targets achieved will be tracked by the Group Sustainability Committee.



# // PRODUCTS



USAGE OF CARDBOARD IS RECYCLED OR FSC

100%

TOP SUPPLIERS SIGNED COSTER'S SUPPLIER CODE OF CONDUCT

86%

PAPER USED IN OFFICES IS RECYCLED OR FSC

87%

PROCUREMENT BUDGET SPENT ON LOCAL SUPPLIERS

55%

NEW PRODUCTS IN PCR

7

# Products

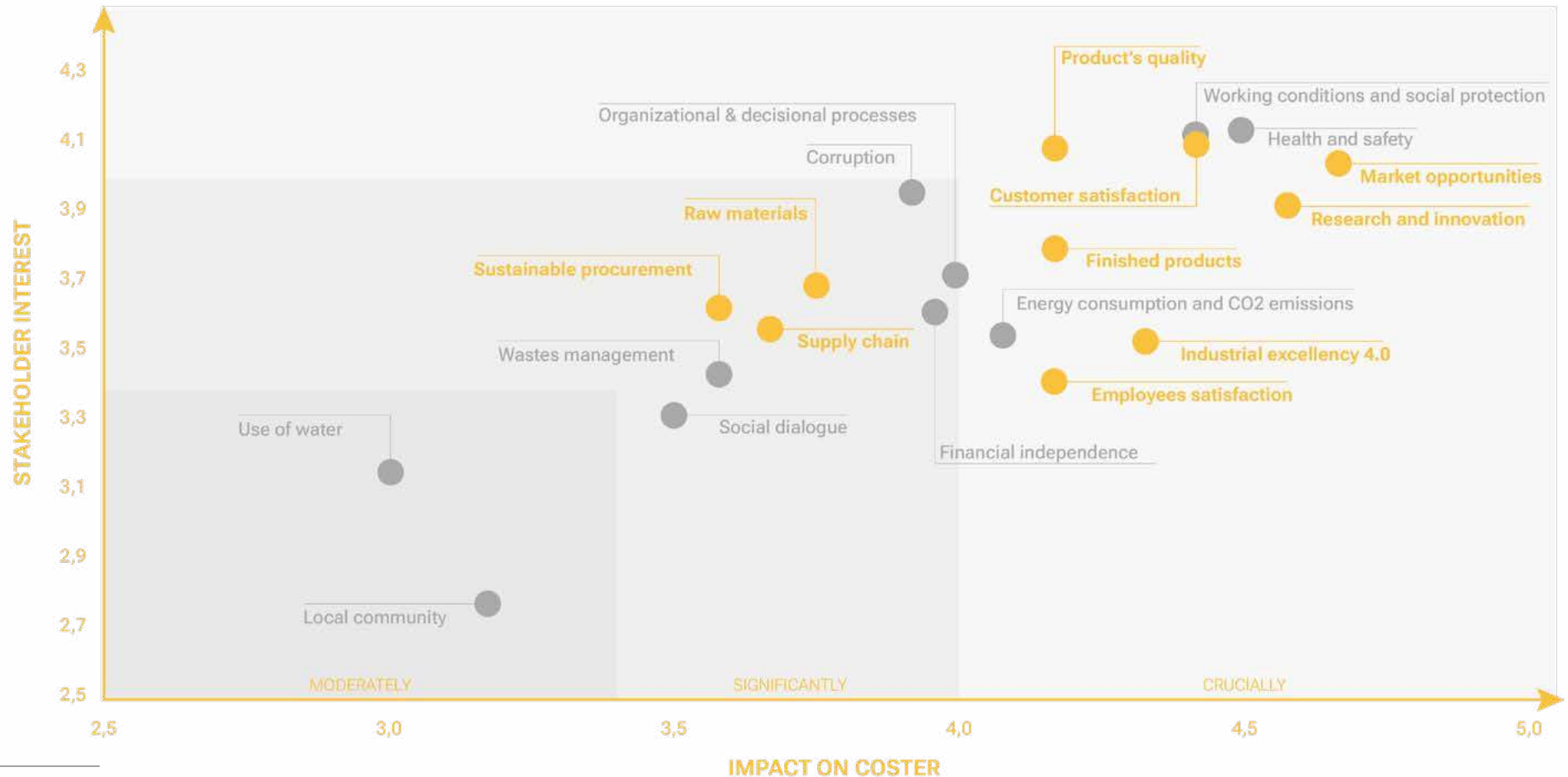


Since 1963, Coster designs and manufactures high-quality filling systems and a complete range of

spray and dispensing packaging components such as aerosol valves and actuators, spray caps, spray and perfumery pumps and dispensers. The market application covers a variety of product forms, from aerosols to spray and dispensing products for personal care and cosmetics, pharmaceutical, perfumery, food, home and technical products. From 2021 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**<sup>54</sup>. The product range covers fully and semiautomatic lines and laboratory equipment. The ability to manufacture ten complete production lines per year, to offer tailor-made solutions for pharmaceutical and aerosol applications, with a focus on new technologies, lead Coster to be the world's second largest supplier in the industry. In 2022, filling equipment covered 4% and anodizing 3% of the group's total consolidated sales.





## 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



## Anodised components



## Filling machines

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

- Personal Care & Cosmetics: deodorants, shaving gels / foams, sunscreens
- 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 2022, Coster sold a total of

## 4 billion products

- >1,6 billion valves
- >1,6 billion spray caps and actuators
- >0,5 million pumps
- >0,5 million components



## Products LCA



Life Cycle Assessment (LCA) is a methodology for evaluating the life cycle of a product or service, to quantify its potential environmental impacts.

In 2022 Coster completed the cradle-to-grave study for the following products:

- **Milano ECO actuator:** Milano is a three-piece actuator with overcap consisting of an actuator with a micromist insert. The study compares the version using PP virgin material and the version using PP PCR for the overcap.
- **Large Poker cap:** is a one-piece component currently produced in PP virgin material. Has been analysed and compared with the version using 70% and version using 100% of PP from Post Consumer Recycled (PP PCR).
- **Rotor actuator:** The study compares the version using the ring in PP made with Post Consumer Recycled resin (PP PCR) and the conventional one.
- **Custom overcap** has been analysed and compared with the version using PP from Post Consumer Recycled (PP PCR).

These studies were carried out using SimaPro software, accomplishing the requirements of ISO 14040-44 [3-4] and PCR 36490:2019 for International EPD System dispensing systems. System boundaries include upstream-core-downstream processes. Further to primary data, secondary data were used for raw materials production and disposal processes selected from Ecoinvent database. The steps followed are Goal and Scope definition, Inventory analysis, Impacts Assessment and Interpretation, 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 change in impact if using virgin PP versus PCR PP, but also acidification, photochemical oxidation, eutrophication, abiotic depletion potential (elements and fossil fuels) and water use were analysed.

## Products recyclability certification



For this topic, Coster refers to a qualified Institute for European-level certification applications for product verification and recyclability examination, also opening discussions 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 composition and real recycling pathways after usage, the recyclability certificate

finds on scientifically validated criteria assessed with leading industry insiders and associations from the packaging manufacture, waste sorting and recycling business. The recyclability ranges from 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 quantified absolute parameter therefore indicates the material's ability to close material cycles in established collection and recycling structures, in practice and at scale.



# Innovation



Innovation & Sustainability structure created in 2020, aimed at discovering sustainable solutions, oriented to looking for future needs and created to win with our customers for a common future growth. The speed for idea generation, the contamination with elements of different origin, a 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 Innovation&Sustainability headquarter is located at the corporate office in Italy, supported by Technical Packaging Assistance in Pero (Milan) and technical centres in the local subsidiaries. The team is structured in the macro-areas of Sustainability, Discovery & Innovation, Technical Development, HSE & Energy, QA, and relies on:

- 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
- state-of-the-art 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 2022 are listed below, whereas other projects addressed to recyclability, reuse, reduce and replace models were launched but are protected by confidentiality or NDA with customers.

- **EasyColor pump:** all-in-one solution of snap-on pump, collar and overcap available in an infinite variety of colors for the perfumery market
- **New 1" metered valve:** optimized and more sustainable version in terms of delivery performance within the automatic device, mechanical resistance and production technology



- **Vela actuator:** foaming actuator with innovative and ergonomic design for aerosol valve
- **Digital printing:** printing technology that allows eco-friendly graphic effects and infinite personalized decorative solutions
- **New actuators for 1" valves**
- **Introduction of sustainable product solutions in terms of:**
  - **Recyclability**, for example through the development of the POM-free version of the dispenser pump or PP micromist inserts
  - **Reuse**, for example with the development of the "refillable BOV" concept which uses the "in-store" filling machine to refill bag-on-valves pressurized with compressed air

In 2022, the Innovation activity has been focused on the still ongoing developments:

- **Full recyclable versions of pumps,**
- **Coster-Eco new applications and versions,**
- **New BOV applications,**
- **Alternative dispensing systems,**
- **New actuators design,**
- **PP inserts,**
- **New products in PCR**



## Patents

The following patents were released in 2022:

- **Salus actuator** (design patent)
- **Rio actuator** (design patent)
- **Green pump dispenser**
- **Refillable BOV technology concept**
- **CosterEco Regulator** – actuator

## Collaborations

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

- the Polymer Science Park in the Netherlands works with the local Coster plant on

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 venue 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 in order to achieve successful sorting and recycling performance
- CYCLOS-HTP company, the institute for assessing and certifying packaging and goods recyclability
- PROPLAST, a consortium of companies and R&D organisations specialised in creating and promoting innovative solutions for the plastic industry



# Industry 4.0



Over the years, it has been commonly recognised that high levels of automation implemented in its facilities are a specific Coster hallmark. This comes from the company's foresight and engineering orientation, where new technologies are constantly being pioneered. This has led to Industry 4.0, which is seen as a business goal and lever for growth which forms part of the industrial 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 manufacturing cell integrated for injection moulding and in-line assembly, like the second cell for NSCP pump production developed during 2021 in the Italian Coster2 plant. Adjustment of the work organisation to the business requirement with shifts schemes in operations. Low cost / timing product customisation options: texture and platform technologies, the latter being the solution used to develop in 2021 the new GARDA actuator in the Italian Tecnocoster plant.
- **Automation** of our factories for operational excellence, injection and assembly synchronisation. In 2021 the project **DIGIT** was launched in the Italian Coster 2 plant, aimed at the full automation of internal logistic and warehouse and the implementation of the new MES which will be modelled and extended in the other group's manufacturing sites.
- **In-house facilities:** proprietary assembly machine construction and service by Coster Robotics unit. A SharePoint platform was implemented in 2021 to provide integrated support for operations and service maintenance at group level. Interconnection with the Machinery Division for a 360-degree integrated view of technologies for manufacturing and product use
- **Injection moulding:** Coster is passionate about moulding. Its pumps, valves and actuators are based on highly engineered plastic components: their perfect interaction requires highest injection precision and consistency. Injection moulding expertise is a key pillar of industrial excellence, replicated in each of Coster's product



## 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 end of the product's life.

- The customer care department provides widespread pre- and post-sales assistance for packaging, anodization and machinery, offering a preferred point of contact and answers for all needs concerning products and services offered by Coster
- Packaging Technical Assistance is provided by both centralised and local facilities. With more than 2.000 tests per year, the Pero laboratory responsible for verifying compatibility between clients products and Coster's ones, supporting the customer in selecting the best delivery system according to the product formulation, providing training sessions about aerosol to customers. Compatibility, functionality, swelling, spray rate, spray pattern, flammability, corrosion, sealing, colour, 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 laboratories are available 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
- The Machinery Division provides customers with the latest filling technologies and 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 5.000 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-degree order manage-

ment 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 organisation, facilities, contacts, products and services are available on the website [www.coster.com](http://www.coster.com).



# Supply chain



For the supply chain, 2022 was supposed to be the year when things would return to normal. But it was again a difficult year due to the conflict in Ukraine, rising inflation, demand volatility and economic uncertainty.

Nevertheless, Coster was able to maintain and even increase its strong commitment to sustainability and made good progress against its long-term goals. During the year the new roadmap for sustainable sourcing and supply chain management was developed, with the objective of integrating environmental and social performance even further into Coster management strategy.

## Pillars of the new 4 years roadmap for sustainable sourcing and supply chain

### • Carbon neutrality

Coster is committed to seeking solutions in order to become carbon neutral for Scopes 1 & 2 by 2026. This includes electric energy, biogas and projects to offset the organisation's remaining emissions. Coster is also working to increase its contribution to generate green energy and to reduce indirect carbon emissions Scope 3.

### • Zero waste to landfill

Coster is committed to exploring and implement new ways to use waste materials in collaboration with suppliers and other industry sectors (for example upgrade of waste material). Coster will set local waste management targets and commits to achieve "zero waste to landfill" by 2026.

### • Logistics

Coster has the ambition to reduce greenhouse gas emissions from transport, despite the growth of its business and increased volumes. To achieve this goal, it will reduce truck mileage, use low-emission vehicles, and use alternative transportation such as rail or ship.

### • Reduce energy consumption in offices

By 2025, purchased energy will be reduced. This will be achieved through multiple energy efficiency activities. Energy audits will be conducted to identify how to further reduce energy consumption by changing people's habits and increasing the capacity of existing systems (e.g., motion sensors for lighting, light sensors, LED designs, etc.).

### • Sustainable technical developments for components sourced externally

We plan to engage more with our suppliers in order to explore untapped opportunity around material lightweight with the objective to simplify and reduce the impact of the material components we buy. This includes initiatives such as: lightweighting materials, optimising structural and material design, reducing layer of the laminate and switching materials. "Better and lighter designs" should guide us in all innovation projects. Coster intends to engage more with its suppliers to explore untapped opportunities related to lightweighting materials, with the goal of simplifying and reducing the impact of the material components it purchases. This includes initiatives such as: lightweighting materials, optimizing structural design and materials, reducing laminate layers, and changing materials. "Better and lighter designs" should drive all innovation projects.

### • Sustainable secondary packaging

As part of its support for the circular economy, Coster is committed to making 100% of its secondary packaging reusable or recyclable by 2026. This includes plastic films, pallets, corrugated boxes, plastic bags, labels, etc.

### • Engage with supplier to promote sustainable practices

Coster is committed to encouraging its suppliers to embrace its journey. Where necessary, trainings will be provided and workshops organized to share best practices. Supplier performance will be systematically monitored through internal audits and sustainability will be introduced as a key metric for evaluating supplier performance.



# Procurement



As a global company with operations and offices in more than 10 countries, Coster feels a responsibility to promote positive social impact through its sourcing decisions. It is therefore committed to promoting responsible practices with its suppliers and consults with them on key issues.

Coster purchases goods and services worth more than 160 million euros from over 1000 suppliers, classified in three main spending categories:

- Productive items (PI): include raw materials, components and packaging
- Non-productive items (NPI): include expense areas such as Utilities, Equipment and MRO, Logistics, Professional Services, IT and Telecom, Site Materials & Services, Em-

ployee Materials and Services

- Third party manufacturing (3PM): include contract manufacturing for moulded and assembled components

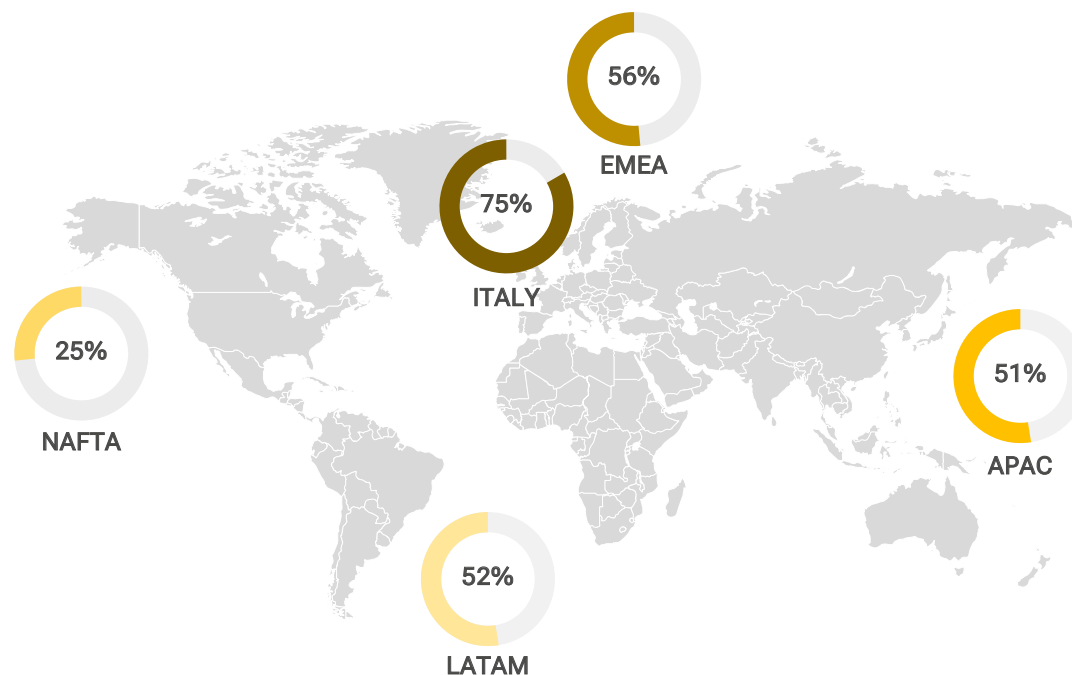
## Local suppliers



In 2022, the Group spent 55% of the procurement budget on local suppliers<sup>55</sup> – same country or state where the plants operate - due to the high spending by the two most significant operating locations; the Italian companies (packaging division) spent 77%, while the Latam company spent 52%. There was a small decrease in Argentina due to the increased consumption of tinplate from Europe see *“Table 30: Procurement budget on local suppliers by site” - pag. 104.*

Most of these supplies are from the EU and specifically from Italy<sup>56</sup>. Most of Coster's out-

### SPENDING ON LOCAL SUPPLIERS



<sup>55</sup> GRI 204-1

<sup>56</sup> GRI 204-1

sourced suppliers are located in or near Trentino, and are subcontracted to produce plastic components or assemble finished products. Coster takes responsibility for the suppliers it works with and for the society and environment in which it operates.

The definition of significant location of operation is relevant to the consolidated sales, covering a total of 62% of the 2022 Group sales, associated to manufacturing facilities operating in Italy (packaging division).

## Supplier environmental and social assessment

The CSR audit plan for Coster's productive items and outsourced suppliers continued in 2022. These audits follow the SMETA IV Pillars protocol, with additional health and safety requirements taken from ISO 45.001 and internal safety audits. Suppliers are rated with topic-specific scores and as general sustainability performance, SWOT analysis and findings list are issued as well.

Coster defined the target suppliers as the top 15 PI/3PM in the Group's annual expenditure. It should be considered that 3 suppliers accounting for 17% (Basell) and 29% (Borealis & Celanese) of total Italian and EU total expenditure turnover, respectively, are big multinational corporations which don't accept CSR audits by company policy.

Coster's goal is for these targeted suppliers to have a contract with sustainability and CSR clauses, to have accepted supplier code of conduct, and to have received a CSR audit. So far and with the audits carried out in 2022, the results are as follows:

- 87% of these suppliers have accepted Coster's supplier code of conduct.
- 67% have been assessed by a CSR audit (one of them does not accept external audit)
- 53% have signed Coster's supply contract with CSR clauses (some of them impose their own contract)

The audits revealed no suppliers with significant actual or potential negative impacts. Local deficiencies were reported and addressed for both environmental and social aspects. Anyway, in an overall picture which doesn't disclose critical situations. Relationships with suppliers were not severed as a result of the assessment<sup>57</sup>. The audit plan for 2023 aspires to cover more than 35% of PI/3PM expenditure turnover relevant to the top 15 suppliers who authorise on-site audits.

86% of the suppliers of Productive Items (PIs) and outsourcers (3PMs) on the Vendor-list formally acknowledged the Coster Supplier Code of Conduct by signing the commitment form.

## Raw materials



Coster mainly uses polyolefin (PE and PP), acetal resin (POM) and masterbatches 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 2022 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 is part of its commitment to the New Plastic Economy, looks at the wide media resonance given to global trends on the impact of packaging on the environment, and supports SDGs-oriented customer campaigns.

## Products

The main technical projects completed or still ongoing in 2022 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 micromist version: actuator in PCR
- GMSP closure
- SCP closure
- Overcap V20.130 for actuators
- 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)
- POM-free micromist

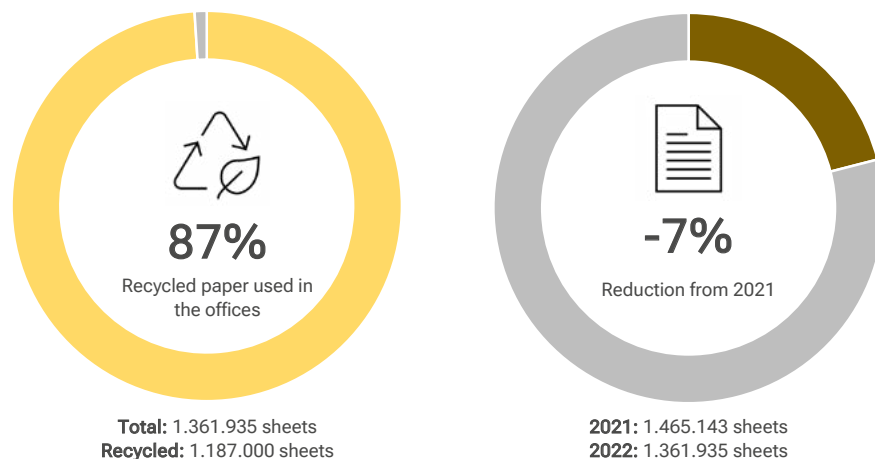
<sup>57</sup> GRI 308-2, 414-2

- BPA-NI (Not In) aluminium and tin-plate mounting cups for 1" valves, as alternative to lacquering containing BPA traces,
- Design for 100% recyclability of dispensers and spray pumps
- Thickness reduction on dip tube V07.12/R 10%: for 1" valves
- Thickness reduction on dip tube V07.5/R 10%: for SCP pumps



## Paper policy in the offices

The policy consists of a sustainable sourcing initiative launched to purchase paper responsibly. Targets are to maximise efficiency by reducing paper consumption wherever possible, maximising recycled fiber content, and using products resulting from waste paper processing (post-consumer). **In 2022 Coster achieved an 87% recycled paper use result** out of around 1.187.000 sheets, compared to an annual target of >90%. The total consumption reduction in year 2022 settled at 7% vs 2021.



## Materials consumption

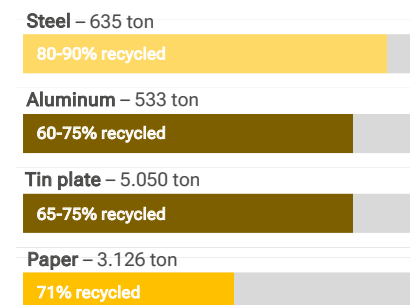
This section shows Coster's most representative materials, both those directly involved in production and those involved in distribution. The quantities shown below are an estimate based on the quantity of individual product categories-using as benchmarks ("Table 30: Procurement budget on local suppliers by site" - pag. 104) the most representative items by sales and weight-sold by Coster in 2022, considering the weight of each component ("Table 28: Total number and rate of recordable work-related injuries" - pag. 102) and separated by recycled content<sup>58</sup>.

<sup>58</sup> GRI 301-2

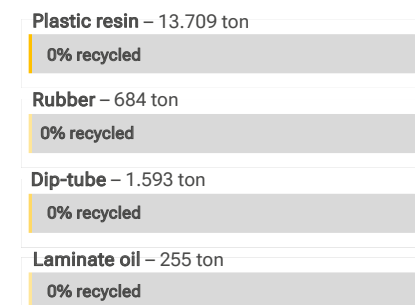
<sup>59</sup> GRI 301-1, 301-2

## Materials involved in production

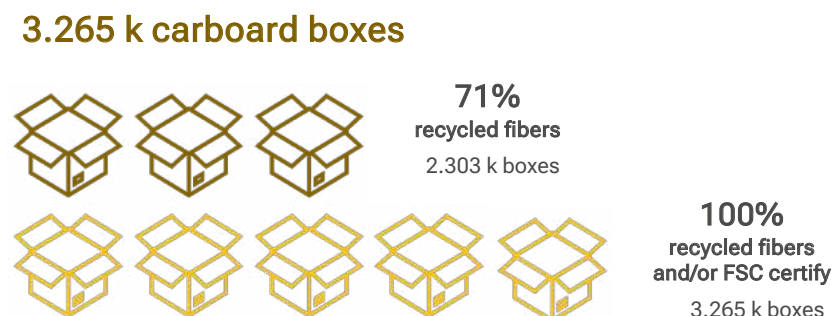
### Renewable materials



### No-renewable materials



## Materials involved in distribution



## Data interpretation

25.585 tons of materials used in 2022 correspond to decrease 2% in consumption from previous year

In 2022, Coster used 3.265.159 cardboard boxes ("Table 29: Absentee rate by site" - pag. 103) for finished product packaging, with an increase of 651.288 units (+25% from 2021)<sup>59</sup>

The total cardboard boxes with recycled fibers amounted to 2.303.223, increasing 37% in line with the previous year. Instead, total boxes with recycled fibers and FSC certification are 3.265.159, accounting for 100%

# Facts & figures

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% |                                   |       |                             |      |                  |

Table 1: Certifications

| Plant                   | ISO 9001<br>(9,12) | ISO 22716-<br>22715<br>(8,9) | ISO 14001<br>(4,6,7,8,9,<br>12, 13,14,15) | ISO 45001<br>(8,9) | ISO 50001<br>(7,12,13) | BRC<br>(8,9) | HALAL<br>(9,12) | ISO<br>26000<br>(all SDGs) | ISO<br>20400<br>(1,2,5,8,10<br>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 SAS (Fr)         |                    |                              |                                           |                    |                        |              |                 | ✓                          | ✓                                        |
| Catidom (Fr)            | ✓                  |                              |                                           |                    |                        |              |                 |                            |                                          |
| Costertec (Spain)       | ✓                  | ✓                            | ✓                                         | ✓                  | ✓                      |              | ✓               | ✓                          | ✓                                        |
| Coster Aerosols (UK)    | ✓                  |                              |                                           |                    |                        | ✓            |                 | ✓                          | ✓                                        |
| Coster B&S (Ned)        | ✓                  |                              | ✓                                         |                    |                        |              |                 | ✓                          | ✓                                        |
| Coster GmbH (Ger)       |                    |                              |                                           |                    |                        |              |                 | ✓                          | ✓                                        |
| Coster USA              | ✓                  |                              | ✓                                         |                    |                        |              |                 | ✓                          | ✓                                        |
| Coster Packaging (Arg)  | ✓                  | ✓                            | ✓                                         |                    |                        |              |                 | ✓                          | ✓                                        |
| Costerpack (Malaysia)   | ✓                  |                              |                                           |                    |                        |              |                 | ✓                          | ✓                                        |
| Coster India            | ✓                  |                              |                                           |                    |                        |              |                 | ✓                          | ✓                                        |

**Table 2: Energy consumption**

|                                                                                                                                   | 2021       | 2022       | $\Delta\%$<br>2022 vs 2021 |
|-----------------------------------------------------------------------------------------------------------------------------------|------------|------------|----------------------------|
| Total electricity consumption (kWh)<br>(purchased from the grid + self consumption)                                               | 49.007.010 | 48.613.233 | -1                         |
| Heat purchased from the grid (kWh)                                                                                                | 504.100    | 476.042    | -6                         |
| Total natural gas consumption (kWh)                                                                                               | 6.739.047  | 5.390.293  | -20                        |
| Total fuel consumption (kWh)                                                                                                      | 230.437    | 219.404    | -5                         |
| Energy consumption normalised for the production of 1kg of plastic<br>avg value for the 10 sites with inj moulding facility (kWh) | 2,29       | 2,24       | -2                         |
| Energy consumption normalised for the assembly of 1000 items<br>avg value for the 11 sites with assembly process (kWh)            | 4,55       | 4,16       | -8                         |

Table 3: Fuels consumption (kWh)

| Region | Plant                             | Fuel type   | 2021      |        | 2022      |        |
|--------|-----------------------------------|-------------|-----------|--------|-----------|--------|
| EMEA   | Pero (HQ & MCH)                   | Natural gas | 0         | 0%     | 0         | 0%     |
|        | Coster 1                          | Natural gas | 684.874   | 9,83%  | 492.296   | 8,78%  |
|        | Coster 2                          | Natural gas | 1.256.838 | 18,03% | 842.140   | 15,01% |
|        | Coster 3                          | Natural gas | 711.803   | 10,21% | 531.970   | 9,48%  |
|        |                                   | Diesel oil  | 0         | 0%     | 0         | 0%     |
|        | Coster 4                          | Natural gas | 166.449   | 2,39%  | 130.017   | 2,32%  |
|        | Coster Robotics                   | Natural gas | 145.844   | 2,09%  | 123.031   | 2,19%  |
|        | Novaledo                          | Natural gas | 304.784   | 4,37%  | 290.867   | 5,19%  |
|        | Costerplast                       | Natural gas | 424.808   | 6,10%  | 296.146   | 5,28%  |
|        |                                   | Diesel oil  | 0         | 0%     | 0         | 0%     |
|        | Tecnocoster                       | Natural gas | 427.762   | 6,14%  | 331.532   | 5,91%  |
|        |                                   | Diesel oil  | 806       | 0,01%  | 806       | 0,01%  |
|        | Coster SAS                        | Natural gas | 146.313   | 2,10%  | 142.911   | 2,55%  |
|        | Catidom                           | Natural gas | 1.578.847 | 22,65% | 1.186.151 | 21,14% |
|        | Costertec                         | Diesel oil  | 95.971    | 1,38%  | 61.292    | 1,09%  |
|        | Coster Ltd.                       | Natural gas | 89.126    | 1,28%  | 111.716   | 1,99%  |
|        | Coster B&S                        | Natural gas | 172.656   | 2,48%  | 145.855   | 2,60%  |
|        | Coster GMBH                       | Natural gas | 58.391    | 0,84%  | 36.656    | 0,65%  |
| NAFTA  | Coster USA Inc.                   | Natural gas | 420.484   | 6,03%  | 556.307   | 9,92%  |
| LATAM  | Coster Packaging, S.A.            | Natural gas | 150.067   | 2,15%  | 172.698   | 3,08%  |
|        |                                   | Diesel Oil  | 55.378    | 0,79%  | 62.905    | 1,12%  |
| APAC   | Costerpack Manufacturing, Sdn Bhd | Any fuel    | 0         | 0%     | 0         | 0%     |
|        | Coster India Packaging, Pvt Ltd   | Diesel oil  | 78.282    | 1,12%  | 94.401    | 1,68%  |
| TOTAL  |                                   |             | 6.969.484 | 100%   | 5.609.697 | 100%   |

Table 4: Electricity consumption (kWh) included self-consumption

| Region | Plant                             | 2021              |             | 2022              |             |
|--------|-----------------------------------|-------------------|-------------|-------------------|-------------|
| EMEA   | Pero (HQ & MCH)                   | 638.692           | 1,30%       | 582.111           | 1,20%       |
|        | Coster 1                          | 2.517.289         | 5,14%       | 2.407.074         | 4,95%       |
|        | Coster 2                          | 8.510.784         | 17,37%      | 8.070.684         | 16,60%      |
|        | Coster 3                          | 3.836.713         | 7,83%       | 3.712.263         | 7,64%       |
|        | Coster 4                          | 544.732           | 1,11%       | 592.822           | 1,22%       |
|        | Coster Robotics                   | 50.907            | 0,10%       | 56.830            | 0,12%       |
|        | Novaledo                          | 100.829           | 0,21%       | 93.601            | 0,19%       |
|        | Costerplast                       | 4.223.912         | 8,62%       | 3.961.087         | 8,15%       |
|        | Tecnocoster                       | 3.559.295         | 7,26%       | 3.396.634         | 6,99%       |
|        | Coster SAS                        | 34.221            | 0,07%       | 28.160            | 0,06%       |
|        | Catidom                           | 7.854.080         | 16,03%      | 8.351.683         | 17,18%      |
|        | Costertec                         | 1.531.299         | 3,12%       | 1.822.796         | 3,75%       |
|        | Coster Ltd.                       | 3.498.626         | 7,14%       | 3.689.746         | 7,59%       |
|        | Coster B&S                        | 1.470.468         | 3,00%       | 1.363.355         | 2,80%       |
|        | Coster GMBH                       | 20.101            | 0,04%       | 16.805            | 0,03%       |
| NAFTA  | Coster USA Inc.                   | 698.939           | 1,43%       | 682.582           | 1,40%       |
| LATAM  | Coster Packaging, S.A.            | 6.154.673         | 12,56%      | 5.997.861         | 12,34%      |
| APAC   | Costerpack Manufacturing, Sdn Bhd | 2.906.735         | 5,93%       | 2.785.553         | 5,73%       |
|        | Coster India Packaging, Pvt Ltd   | 854.715           | 1,74%       | 1.001.586         | 2,06%       |
|        |                                   | <b>49.007.010</b> | <b>100%</b> | <b>48.613.233</b> | <b>100%</b> |

Table 5: Reduction initiatives planned<sup>60</sup>

| Site     | Description                                                                                                                                                                 | Energy type | Scope        | Annual energy saving (kWh) | Annual Ton CO2 saving | Baseline | Status <sup>1</sup> |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|--------------|----------------------------|-----------------------|----------|---------------------|
| Coster 1 | 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                  | 2022     | TBI                 |
|          | Introduction of inverters on raw material aspiration system (Frigel).                                                                                                       | Cooling     | Scope 2 (LB) | 25.733                     | 10,45                 | 2022     | TBI                 |
| Coster 2 | Implementation of a monitoring system related to energy consuming centers, 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 center 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 led-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                 |
|          | Replace old dryer.                                                                                                                                                          | Electricity | Scope 2 (LB) | 19.000                     | 7,71                  | 2022     | UI                  |
| Coster 3 | Replacement one hydraulic with an electric molding machine.                                                                                                                 | Electricity | Scope 2 (LB) | 30.000                     | 12,18                 | 2022     | IC                  |
|          | Optimisation of raw material feed turbines.                                                                                                                                 | Electricity | Scope 2 (LB) | 2.400                      | 0,97                  | 2022     | IC                  |

<sup>60</sup> GRI 305-5

| Site        | Description                                                                                                                                                                           | Energy type | Scope        | Annual energy saving (kWh) | Annual Ton CO2 saving | Baseline | Status <sup>1</sup> |
|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|--------------|----------------------------|-----------------------|----------|---------------------|
| Warehouse   | Purchase of another forklift in order to have the possibility of recharge the battery in the daytime hours.                                                                           | Electricity | Scope 2 (LB) | 30.000                     | 12,18                 | 2022     | IC                  |
| Costerplast | The initiative consists in the implementation of a system to detect and remove the compressed air leakages and in the manufacturing departments of the facility Costerplast in Italy. | Electricity | Scope 2 (LB) | 150.000                    | 60,90                 | 2020     | IC                  |
|             | The initiative consists in the replacement of the lubrication oil of the compressors with a higher efficiency one in the Costerplast facility in Italy.                               | 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                      | 0,41                  | 2020     | TBI                 |
|             | Replacement of two hydraulic molding machines with electric ones.                                                                                                                     | Electricity | Scope 2 (LB) | 140.000                    | 2,84                  | 2022     | IC                  |
| Tecnocoster | Thermal blankets for the moulding machines.                                                                                                                                           | Electricity | Scope 2 (LB) | 130.000                    | 52,78                 | 2019     | UI                  |
|             | Inverter in a 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                 |
| Catidom     | Replacement of the cooling system.                                                                                                                                                    | Heating     | Scope 2 (LB) | 113.948                    | 5,93                  | 2022     | TBI                 |

| Site                       | Description                                                                                                                                                                                                              | Energy type | Scope            | Annual energy saving (kWh) | Annual Ton CO2 saving | Baseline | Status <sup>1</sup> |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|------------------|----------------------------|-----------------------|----------|---------------------|
| Costertec                  | Use gas instead of fuel for HVAC installation.                                                                                                                                                                           | Heating     | Scope 2 (LB)     | 0                          | 6,00                  | 2019     | UI                  |
|                            | 300 kWp PV installation.                                                                                                                                                                                                 | Electricity | Scope 2 (LB)     | 366.877                    | 87,32                 | 2021     | UI                  |
|                            | Solar Panel installation.                                                                                                                                                                                                | Electricity | Scope 2 (LB)     | 815.000                    | 372,46                | 2022     | UI                  |
| Coster Ltd.                | Utilities monitoring software - monitors usage per production line, per utility in real time vs output vs time of day vs loading vs downtime etc -Electricity, Gas, Air, Water etc.                                      | -           | Scope 1, 2 and 3 | 199.236                    | 91,05                 | 2022     | UI                  |
| 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                    | 40,06                 | 2019     | TBI                 |
| Coster India               | Solar Panel installation.                                                                                                                                                                                                | Electricity | Scope 2 (LB)     | 240.000                    | 218,88                | 2021     | TBI                 |
|                            | Compressor Air Filter Modification. This will give access to more surface area for filter, decreasing load on power consumption and reduction in the filter consumption due to more surface area of the modified filter. | Electricity | Scope 2 (LB)     | 30.000                     | 27,36                 | 2022     | UI                  |
|                            | Monitoring of Air Conditioning in every section through the forced monitoring (LOCK &KEY) of control panel reading in every section.                                                                                     | Cooling     | Scope 2 (LB)     | 625                        | 0,57                  | 2022     | UI                  |
|                            |                                                                                                                                                                                                                          |             | <b>Total</b>     | <b>2.542.986</b>           | <b>1.067</b>          |          |                     |

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

**Table 6: Renewable energy**

| Renewable Energy                | 2021 <sup>1</sup> | 2022 <sup>2</sup> | Δ%<br>(2022 vs 2021) |
|---------------------------------|-------------------|-------------------|----------------------|
| Total production – [kWh]        | 302.877           | 354.365           | +17%                 |
| Energy self-consumption – [kWh] | 214.594           | 239.291           | +12%                 |
| Energy sold to the grid – [kWh] | 88.283            | 115.074           | +30%                 |
| % of REG on group consumption   | 0,43%             | 0,49%             | +12%                 |

<sup>1</sup>: Pero site only; <sup>2</sup>: Pero, Central Warehouse, Coster Robotics.

Table 7: Green energy purchase (self-consumption included) kWh

| Region | Plant                              | 2021              |            | 2022              |            |
|--------|------------------------------------|-------------------|------------|-------------------|------------|
| EMEA   | Pero (HQ & MCH)                    | 638.692           | 100%       | 582.111           | 100%       |
|        | Pero (HQ & MCH) – District heating | 504.100           | 100%       | 476.042           | 100%       |
|        | Coster 1                           | 2.517.289         | 100%       | 2.407.074         | 100%       |
|        | Coster 2                           | 8.510.784         | 100%       | 8.070.684         | 100%       |
|        | Coster 3                           | 3.836.713         | 100%       | 3.712.263         | 100%       |
|        | Coster 4                           | 544.732           | 100%       | 592.822           | 100%       |
|        | Coster Robotics                    | 50.907            | 100%       | 56.830            | 100%       |
|        | Novaledo                           | 100.829           | 100%       | 93.601            | 100%       |
|        | Costerplast                        | 4.223.912         | 100%       | 3.961.087         | 100%       |
|        | Tecnocoster                        | 3.559.295         | 100%       | 3.396.634         | 100%       |
|        | Coster SAS                         | 34.221            | 100%       | 28.160            | 100%       |
|        | Catidom                            | 0                 | 0%         | 0                 | 0%         |
|        | Costertec                          | 1.531.299         | 100%       | 1.822.796         | 100%       |
|        | Coster Ltd.                        | 3.498.626         | 100%       | 3.689.746         | 100%       |
|        | Coster B&S                         | 1.470.468         | 100%       | 1.363.355         | 100%       |
|        | Coster GMBH                        | 20.101            | 100%       | 16.805            | 100%       |
| NAFTA  | Coster USA Inc.                    | 698.939           | 100%       | 682.582           | 100%       |
| LATAM  | Coster Packaging, S.A.             | 6.154.673         | 100%       | 5.997.861         | 100%       |
| APAC   | Costerpack Manufacturing, Sdn Bhd  | 2.906.735         | 100%       | 2.785.553         | 100%       |
|        | Coster India Packaging, Pvt Ltd    | 0                 | 0%         | 1.001.586         | 100%       |
|        |                                    | <b>40.802.315</b> | <b>82%</b> | <b>40.737.592</b> | <b>83%</b> |

Table 8: CO<sub>2</sub>e emissions

| Emission Target Type                                                          | Scope                   | Result 2021 | Result 2022 | Δ% 2022-2021 |
|-------------------------------------------------------------------------------|-------------------------|-------------|-------------|--------------|
| Absolute                                                                      | 1                       | 1.368       | 1.096       | -20%         |
| Absolute - Location Based                                                     | 2                       | 18.251      | 17.843      | -2%          |
| Absolute - Market Based                                                       | 2                       | 1.280       | 462         | -64%         |
| Absolute                                                                      | 3                       | 163.049     | 134.016     | -18%         |
| Absolute                                                                      | 1 + 2<br>(Market Based) | 2.648       | 1.559       | -41%         |
| Intensity (normalized):<br>Tn CO <sub>2</sub> e per mln of product units sold | 2<br>(Location Based)   | 4,22        | 4,08        | -3%          |

Table 9: Scope 1 emissions (Tn CO<sub>2</sub>e)

| Region | Plant                             | 2021   |        | 2022   |        |
|--------|-----------------------------------|--------|--------|--------|--------|
| EMEA   | Pero (HQ & MCH)                   | 0      | 0%     | 0      | 0%     |
|        | Coster 1                          | 121,16 | 9,60%  | 87,09  | 8,49%  |
|        | Coster 2                          | 222,35 | 17,61% | 148,99 | 14,53% |
|        | Coster 3                          | 125,93 | 9,97%  | 94,11  | 9,18%  |
|        |                                   | 0      | 0%     | 0      | 0%     |
|        | Coster 4                          | 29,45  | 2,33%  | 23,00  | 2,24%  |
|        | Coster Robotics                   | 25,80  | 2,04%  | 21,77  | 2,12%  |
|        | Novaledo                          | 53,92  | 4,27%  | 51,46  | 5,02%  |
|        | Costerplast                       | 75,15  | 5,95%  | 52,39  | 5,11%  |
|        |                                   | 0      | 0%     | 0      | 0%     |
|        | Tecnocoster                       | 75,68  | 5,99%  | 58,65  | 5,72%  |
|        |                                   | 0,20   | 0,02%  | 0,20   | 0,02%  |
|        | Coster SAS                        | 25,94  | 2,05%  | 25,33  | 2,47%  |
|        | Catidom                           | 279,32 | 22,12% | 209,85 | 20,47% |
|        | Costertec                         | 23,97  | 1,90%  | 15,31  | 1,49%  |
|        | Coster Ltd.                       | 18,02  | 1,43%  | 22,58  | 2,20%  |
|        | Coster B&S                        | 30,55  | 2,42%  | 25,80  | 2,52%  |
|        | Coster GMBH                       | 10,35  | 0,82%  | 6,50   | 0,63%  |
| NAFTA  | Coster USA Inc.                   | 85,03  | 6,73%  | 112,49 | 10,97% |
| LATAM  | Coster Packaging, S.A.            | 26,55  | 2,10%  | 30,55  | 2,98%  |
|        |                                   | 13,83  | 1,10%  | 15,71  | 1,53%  |
| APAC   | Costerpack Manufacturing, Sdn Bhd | 0      | 0%     | 0      | 0%     |
|        | Coster India Packaging, Pvt Ltd   | 19,55  | 1,55%  | 23,57  | 2,30%  |
|        | Total fuels                       | 1263   | 100%   | 1025   | 100%   |
|        | Total leakages of cooling agent   | 103,64 |        | 69,75  |        |
|        | Total vehicles                    | 1,71   |        | 1,51   |        |
|        | Total scope 1                     | 1368   |        | 1096   |        |

Table 10: Scope 2 emissions (Tn CO<sub>2</sub>e)

| Region | Plant                              | 2021 Location | 2021 Market  | 2022 Location | 2022 Market |
|--------|------------------------------------|---------------|--------------|---------------|-------------|
| EMEA   | Pero (HQ & MCH)                    | 188           | 0            | 159           | 0           |
|        | Pero (HQ & MCH) – District heating | 30            | 30           | 28            | 28          |
|        | Coster 1                           | 1.022         | 0            | 977           | 0           |
|        | Coster 2                           | 3.455         | 0            | 3.277         | 0           |
|        | Coster 3                           | 1.558         | 0            | 1.507         | 0           |
|        | Coster 4                           | 221           | 0            | 241           | 0           |
|        | Coster Robotics                    | 15            | 0            | 17            | 0           |
|        | Novaledo                           | 30            | 0            | 24            | 0           |
|        | Costerplast                        | 1.715         | 0            | 1.608         | 0           |
|        | Tecnocoster                        | 1.445         | 0            | 1.379         | 0           |
|        | Coster SAS                         | 2             | 0            | 1             | 0           |
|        | Catidom                            | 470           | 470          | 434           | 434         |
|        | Costertec                          | 364           | 0            | 434           | 0           |
|        | Coster Ltd.                        | 1.599         | 0            | 1.686         | 0           |
|        | Coster B&S                         | 610           | 0            | 566           | 0           |
|        | Coster GMBH                        | 9             | 0            | 8             | 0           |
| NAFTA  | Coster USA Inc.                    | 365           | 0            | 356           | 0           |
| LATAM  | Coster Packaging, S.A.             | 2.259         | 0            | 2.201         | 0           |
| APAC   | Costerpack Manufacturing, Sdn Bhd  | 2.113         | 0            | 2.025         | 0           |
|        | Coster India Packaging, Pvt Ltd    | 780           | 780          | 913           | 0           |
|        |                                    | <b>18.251</b> | <b>1.280</b> | <b>17.843</b> | <b>462</b>  |

**Table 11: Scope 3 emissions (Tn CO<sub>2</sub>e)<sup>61</sup>**

| Category Name                              | tn CO <sub>2</sub> e | in %        | Category CP                                                                       |
|--------------------------------------------|----------------------|-------------|-----------------------------------------------------------------------------------|
| Purchased goods and services               | 98.152               | 73,2%       | Production materials and consumables.<br>Packaging materials, Water, Office Paper |
| Capital goods                              | -                    | -           |                                                                                   |
| Fuel- and energy-related activities        | 1.201                | 0,9%        | Upstream emissions of electricity, Up-<br>stream emissions of heating/cooling     |
| Upstream transportation and distribution   | 4.270                | 3,2%        | Inbound logistics, Intralogistics                                                 |
| Waste generated in operations              | 541                  | 0,4%        | Waste treatment                                                                   |
| Business travel                            | 787                  | 0,6%        | Rental cars/ private vehicles, Flights                                            |
| Employee commuting                         | 1.584                | 1,2%        | Employee commuting, Teleworking                                                   |
| Upstream leased assets                     |                      |             |                                                                                   |
| Downstream transportation and distribution | 11.803               | 8,8%        | Outbound logistics                                                                |
| Processing of sold products                | -                    | -           |                                                                                   |
| Use of sold products                       | -                    | -           |                                                                                   |
| End-of-life treatment of sold products     | 15.678               | 11,7%       |                                                                                   |
| Downstream leased assets                   | -                    | -           |                                                                                   |
| Franchises                                 | -                    | -           |                                                                                   |
| Investments                                | -                    | -           |                                                                                   |
| <b>TOTAL:</b>                              | <b>134.016</b>       | <b>100%</b> |                                                                                   |

<sup>61</sup> GRI 305-3

**Table 12: Water consumption**

|                                                                                              | <b>2021<br/>m<sup>3</sup></b> | <b>2022<br/>m<sup>3</sup></b> | <b>Δ%<br/>2022 vs 2021</b> |
|----------------------------------------------------------------------------------------------|-------------------------------|-------------------------------|----------------------------|
| Total water usage (input)                                                                    | 679.069                       | 612.930                       | -10%                       |
| Total volume of water withdrawn by Ground water (return to nature)                           | 622.159                       | 551.909                       | -11%                       |
| Total volume of water consumed by Municipal water or other public or private water utilities | 59.911                        | 61.021                        | +7,2%                      |
| Intensity KPI: [m <sup>3</sup> /1000 units sold]                                             | 0,158                         | 0,140                         | -11%                       |

**Table 13: Waste management**

|                                                                                                  | 2021<br>Tn | 2022<br>Tn | Δ%<br>2022 vs 2021 |
|--------------------------------------------------------------------------------------------------|------------|------------|--------------------|
| Total Waste                                                                                      | 3.425,76   | 3.273,72   | -4%                |
| Total hazardous waste                                                                            | 881,94     | 872,29     | -1%                |
| Of which sent to disposal                                                                        | 256,50     | 238,03     | -7%                |
| Of which sent to recycling                                                                       | 625,44     | 634,26     | 192%               |
| Transport of hazardous waste                                                                     | 0          | 0          | -                  |
| Total non hazardous waste                                                                        | 2.543,82   | 2.401,43   | -6%                |
| Of which sent to landfill                                                                        | 105,63     | 112,76     | 7%                 |
| Of which sent to recovery, including energy recovery                                             | 88,27      | 291,25     | 230%               |
| Of which sent to incineration (mass burn), without energy recovery                               | 49,96      | 61,34      | 23%                |
| Of which sent to recycling                                                                       | 2.299,96   | 1.936,08   | -16%               |
| Intensity KPI: tot waste normalized by number of sold finished parts * 1000 [kg/1000 units sold] | 0,79       | 0,75       | -6%                |

**Table 14: Total workforce by geographic area (FTE)**

| Region       | 2021       | 2022       |
|--------------|------------|------------|
| EMEA         | 597        | 615        |
| NAFTA        | 35         | 30         |
| LATAM        | 143        | 112        |
| APAC         | 205        | 185        |
| <b>Total</b> | <b>980</b> | <b>942</b> |

**Table 15: Workforce by geographic area and gender (FTE)**

|              | Total (M + F) |            | Male       |            | Female     |            |
|--------------|---------------|------------|------------|------------|------------|------------|
| Region       | 2021          | 2022       | 2021       | 2022       | 2021       | 2022       |
| EMEA         | 597           | 615        | 441        | 445        | 156        | 170        |
| NAFTA        | 35            | 30         | 22         | 19         | 13         | 11         |
| LATAM        | 143           | 112        | 130        | 102        | 13         | 10         |
| APAC         | 205           | 185        | 155        | 113        | 50         | 72         |
| <b>Total</b> | <b>980</b>    | <b>942</b> | <b>748</b> | <b>679</b> | <b>232</b> | <b>263</b> |

**Table 16: Permanent employees by region and gender**

|              | Total (M + F) |             | Male       |            | Female     |            |
|--------------|---------------|-------------|------------|------------|------------|------------|
| Region       | 2021          | 2022        | 2021       | 2022       | 2021       | 2022       |
| EMEA         | 577           | 675         | 433        | 485        | 144        | 190        |
| NAFTA        | 32            | 30          | 21         | 19         | 11         | 11         |
| LATAM        | 143           | 143         | 130        | 127        | 13         | 16         |
| APAC         | 205           | 185         | 155        | 113        | 50         | 72         |
| <b>Total</b> | <b>957</b>    | <b>1033</b> | <b>739</b> | <b>744</b> | <b>218</b> | <b>289</b> |

Table 17: Temporary employees by region and gender

|              | Total (M + F) |           | Male     |           | Female    |          |
|--------------|---------------|-----------|----------|-----------|-----------|----------|
| Region       | 2021          | 2022      | 2021     | 2022      | 2021      | 2022     |
| EMEA         | 20            | 15        | 8        | 13        | 12        | 2        |
| NAFTA        | 3             | 0         | 1        | 0         | 2         | 0        |
| LATAM        | 0             | 0         | 0        | 0         | 0         | 0        |
| APAC         | 0             | 0         | 0        | 0         | 0         | 0        |
| <b>Total</b> | <b>23</b>     | <b>15</b> | <b>9</b> | <b>13</b> | <b>14</b> | <b>2</b> |

Table 18: Full time employees by region and gender

|              | Total (M + F) |             | Male       |            | Female     |            |
|--------------|---------------|-------------|------------|------------|------------|------------|
| Region       | 2021          | 2022        | 2021       | 2022       | 2021       | 2022       |
| EMEA         | 556           | 649         | 431        | 483        | 125        | 166        |
| NAFTA        | 35            | 30          | 22         | 19         | 13         | 11         |
| LATAM        | 143           | 143         | 130        | 127        | 13         | 16         |
| APAC         | 205           | 185         | 155        | 113        | 50         | 72         |
| <b>Total</b> | <b>939</b>    | <b>1007</b> | <b>738</b> | <b>742</b> | <b>201</b> | <b>265</b> |

Table 19: Part time employees by region and gender

|              | Total (M + F) |           | Male      |           | Female    |           |
|--------------|---------------|-----------|-----------|-----------|-----------|-----------|
| Region       | 2021          | 2022      | 2021      | 2022      | 2021      | 2022      |
| EMEA         | 41            | 41        | 10        | 15        | 31        | 26        |
| NAFTA        | 0             | 0         | 0         | 0         | 0         | 0         |
| LATAM        | 0             | 0         | 0         | 0         | 0         | 0         |
| APAC         | 0             | 0         | 0         | 0         | 0         | 0         |
| <b>Total</b> | <b>41</b>     | <b>41</b> | <b>10</b> | <b>15</b> | <b>31</b> | <b>26</b> |

**Table 20: New hires by gender (nbr & ratio)**

| Gender       | 2021              | 2022              |
|--------------|-------------------|-------------------|
| Male         | 118 (0,15)        | 109 (0,14)        |
| Female       | 104 (0,39)        | 62 (0,21)         |
| <b>Total</b> | <b>222 (0,21)</b> | <b>171 (0,16)</b> |

**Table 21: New hires by age (nbr & ratio)**

| Age      | 2021       | 2022      |
|----------|------------|-----------|
| Under 30 | 89 (0,59)  | 75 (0,41) |
| 30-50    | 114 (0,19) | 81 (0,15) |
| Over 50  | 19 (0,06)  | 15 (0,05) |

**Table 22: New hires by gender & geographic area (nbr & %)**

|              | Male             |                  | Female           |                 |
|--------------|------------------|------------------|------------------|-----------------|
| Region       | 2021             | 2022             | 2021             | 2022            |
| EMEA         | 54 (11%)         | 65 (13%)         | 33 (17%)         | 32 (17%)        |
| NAFTA        | 10 (45%)         | 1 (5%)           | 3 (23%)          | 2 (18%)         |
| LATAM        | 13 (10%)         | 12 (9%)          | 1 (8%)           | 6 (38%)         |
| APAC         | 41 (26%)         | 31 (27%)         | 67 (134%)        | 22 (31%)        |
| <b>Total</b> | <b>118 (15%)</b> | <b>109 (14%)</b> | <b>104 (39%)</b> | <b>62 (21%)</b> |

Table 23: Turnover number &amp; rate by region and gender

|              | Male            |                  | Female          |                 |
|--------------|-----------------|------------------|-----------------|-----------------|
| Region       | 2021            | 2022             | 2021            | 2022            |
| EMEA         | 32 (7%)         | 41 (8%)          | 39 (21%)        | 22 (11%)        |
| NAFTA        | 10 (45%)        | 4 (21%)          | 3 (23%)         | 2 (18%)         |
| LATAM        | 11 (8%)         | 17 (13%)         | 1 (8%)          | 3 (19%)         |
| APAC         | 40 (26%)        | 55 (49%)         | 45 (90%)        | 10 (14%)        |
| <b>Total</b> | <b>93 (12%)</b> | <b>118 (16%)</b> | <b>88 (33%)</b> | <b>37 (13%)</b> |

Table 24: Turnover number &amp; rate by age group

| Age      | 2021      | 2022      |
|----------|-----------|-----------|
| Under 30 | 65 (0,43) | 41 (0,22) |
| 30-50    | 71 (0,12) | 78 (0,15) |
| Over 50  | 45 (0,14) | 36 (0,11) |

**Table 25: Turnover by site and age group**

|                  | <30 years old |      | 30 - 50 years old |      | >50 years old |      |
|------------------|---------------|------|-------------------|------|---------------|------|
| Site             | 2021          | 2022 | 2021              | 2022 | 2021          | 2022 |
| CTS SPA          | 3%            | 6%   | 3%                | 7%   | 8%            | 3%   |
| Costerplast      | 0%            | 0%   | 16%               | 0%   | 12%           | 6%   |
| Tecnocoster      | 0%            | 0%   | 0%                | 23%  | 0%            | 0%   |
| Coster SAS       | 0%            | 0%   | 0%                | 0%   | 100%          | 33%  |
| Catidom          | 14%           | 14%  | 8%                | 8%   | 4%            | 4%   |
| Costertec        | 5%            | 9%   | 3%                | 9%   | 0%            | 16%  |
| Coster Ltd.      | 157%          | 38%  | 27%               | 38%  | 129%          | 33%  |
| Coster B&S       | 100%          | 0%   | 20%               | 25%  | 0%            | 14%  |
| Coster GMBH      | 0%            | 0%   | 0%                | 25%  | 150%          | 0%   |
| Coster USA       | 50%           | 13%  | 58%               | 30%  | 13%           | 17%  |
| Coster Packaging | 35%           | 24%  | 3%                | 12%  | 14%           | 14%  |
| Costerpack       | 36%           | 20%  | 17%               | 10%  | 4%            | 26%  |
| Coster India     | 117%          | 112% | 43%               | 50%  | 37%           | 50%  |

**Table 26: Training hours and average by gender**

|                          | 2021   | 2022  |
|--------------------------|--------|-------|
| Total training hours     | 15.970 | 9.934 |
| Training hours by male   | 13.543 | 5.801 |
| Training hours by female | 2.4278 | 4.133 |
| Average hours by male    | 16,36  | 7,66  |
| Average hours by female  | 8,15   | 14,20 |

**Table 27: Average hours of training by employee category and gender**

|                          | Total  |       | Male   |       | Female |       |
|--------------------------|--------|-------|--------|-------|--------|-------|
|                          | 2021   | 2022  | 2021   | 2022  | 2021   | 2022  |
| Directors-Managers       | 398    | 556   | 316    | 281   | 82     | 275   |
| Middle Management        | 721    | 1.574 | 623    | 1.277 | 98     | 297   |
| Administrative-Operators | 14.852 | 7.804 | 12.604 | 4.243 | 2.248  | 3.561 |

**Table 28: Total number and rate of recordable work-related injuries**

|                                   | 2021 |       | 2022 |       |
|-----------------------------------|------|-------|------|-------|
| Site                              | Nbr  | Rate  | Nbr  | Rate  |
| Coster Tecnologie Speciali SPA    | 4    | 6,71  | 4    | 7,08  |
| Costerplast                       | 1    | 16,64 | 2    | 31,76 |
| Tecnocoster                       | 1    | 17,06 | 0    | 0     |
| Coster SAS                        | 0    | 0     | 0    | 0     |
| Catidom                           | 9    | 68    | 9    | 68    |
| Costertec                         | 0    | 0     | 4    | 29    |
| Coster Ltd.                       | 1    | 16    | 10   | 101   |
| Coster B&S                        | 1    | 22,88 | 1    | 27    |
| Coster GMBH                       | 0    | 0     | 1    | 99    |
| Coster USA Inc.                   | 0    | 0     | 1    | 19    |
| Coster Packaging, S.A.            | 5    | 17    | 3    | 12    |
| Costerpack Manufacturing, Sdn Bhd | 0    | 0     | 1    | 4     |
| Coster India Packaging, Pvt Ltd   | 0    | 0     | 0    | 0     |

Table 29: Absentee rate by site

|                  | Male |      | Female |      |
|------------------|------|------|--------|------|
| Site             | 2021 | 2022 | 2021   | 2022 |
| CTS SPA          | 19%  | 11%  | 18%    | 14%  |
| Costerplast      | 24%  | 9%   | 1%     | 9%   |
| Tecnocoster      | 18%  | 8%   | 1%     | 6%   |
| Coster SAS       | 0%   | 3%   | 0%     | 2%   |
| Catidom          | 18%  | 18%  | 1%     | 1%   |
| Costertec        | 6%   | 4%   | 0%     | 7%   |
| Coster Ltd.      | 6%   | 0%   | 0%     | 0%   |
| Coster B&S       | 5%   | 9%   | 0%     | 2%   |
| Coster GMBH      | 8%   | 6%   | 0%     | 13%  |
| Coster USA       | 0%   | 0%   | 0%     | 0%   |
| Coster Packaging | 5%   | 5%   | 1%     | 3%   |
| Costerpack       | 1%   | 5%   | 0%     | 2%   |
| Coster India     | 10%  | 14%  | 3%     | 13%  |

**Table 30: Procurement budget on local suppliers by site**

| Site                                         | 2021       | 2022       |
|----------------------------------------------|------------|------------|
| Coster Tecnologie Speciali SPA               | 74%        | 74%        |
| Costerplast (Italy)                          | 65%        | 67%        |
| Tecnocoster (Italy)                          | 88%        | 91%        |
| Coster SARL (France)                         | -          | -          |
| Catidom (France)                             | 77%        | 77%        |
| Costertec (Spain)                            | 41%        | 40%        |
| Coster Ltd. (UK)                             | 17%        | 21%        |
| Coster B&S (Holland)                         | 19%        | 20%        |
| Coster GMBH (Germany)                        | -          | -          |
| Coster USA Inc.                              | 38%        | 25%        |
| Coster Packaging, S.A. (Argentina)           | 62%        | 52%        |
| Costerpack Manufacturing, Sdn Bhd (Malaysia) | 92%        | 96%        |
| Coster India Packaging, Pvt Ltd              | 32%        | 34%        |
| <b>Total</b>                                 | <b>56%</b> | <b>55%</b> |

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

**Table 31: Total material used (Tn) and % recycled**

|                                      | Total (Tn) | % of recycled | Total (Tn) | % of recycled |
|--------------------------------------|------------|---------------|------------|---------------|
| Material                             | 2021       |               | 2022       |               |
| Renewable materials                  |            |               |            |               |
| Steel                                | 670        | 80 - 90       | 635        | 80 - 90       |
| Aluminum                             | 567        | 60 - 75       | 533        | 60 - 75       |
| Tin plate                            | 5.400      | 65 - 75       | 5.050      | 65 - 75       |
| Paper                                | 2.739      | 59            | 3.126      | 71            |
| Non-renewable materials              |            |               |            |               |
| Plastic resin                        | 14.130     | 0             | 13.709     | 0             |
| Rubber                               | 751        | 0             | 684        | 0             |
| Dip-tube (included in plastic resin) | 1.734      | 0             | 1.593      | 0             |
| Laminate foil                        | 218        | 0             | 255        | 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 32: Carboard recycled**

| Plant                         | 2018      | 2019      | 2020      | 2021      | 2022      |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|
| Nbr box used                  | 2.319.157 | 2.555.206 | 2.843.196 | 2.827.420 | 3.265.159 |
| % recycled fibers             | 60%       | 58%       | 56%       | 60%       | 71%       |
| % recycled fibers and/ or FSC | -         | -         | 81%       | 92%       | 100%      |
| Nr box recycled               | 1.383.039 | 1.479.757 | 1.596.725 | 1.687.091 | 2.303.223 |
| Nr recycled fibers and/or FSC | -         | -         | 2.297.119 | 2.613.871 | 3.265.159 |

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 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 33: Benchmark item used per category group**

| Product group  | Valves                                                                                                                                                                 | Dispensers                                                                               | Spray pumps                                         | Perfumery Pumps                          | Spray Caps | Special actuators                                                                                                           | Actuators |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------|------------|-----------------------------------------------------------------------------------------------------------------------------|-----------|
| Benchmark item | <ul style="list-style-type: none"> <li>NKPM 125.827 150LPS</li> <li>NKWBU 470.834 + V14146/141</li> <li>20 D 6/100</li> <li>11% Alu and 89% tinplate m.cups</li> </ul> | SCP199/2000 + V05.1571 + V07.5 120LPS<br>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 | <ul style="list-style-type: none"> <li>V21.140/82 (Petal)</li> <li>V21.136/xx (Polaris)</li> <li>V18.85 (Zapata)</li> </ul> | V04.702   |

# GRI content index

The GRI Content Index is made up of two parts. The first contains references to the disclosures reported in accordance with the core option, 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 2022 Sustainability Report.

| STANDARD                                            | REPORTING REQUIREMENT                                                       | COSTER'S RESPONSE                                                                 |
|-----------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| <b>GRI 2: GENERAL DISCLOSURES</b>                   |                                                                             |                                                                                   |
| <b>THE ORGANIZATION AND ITS REPORTING PRACTICES</b> |                                                                             |                                                                                   |
| 2-1                                                 | Organizational details                                                      | Pag. 15, 21                                                                       |
| 2-2                                                 | Entities included in the organization's sustainability reporting            | All entities except offices in Brazil and Singapur.                               |
| 2-3                                                 | Reporting period, frequency and contact point                               | Pag. 3                                                                            |
| 2-4                                                 | Restatements of information                                                 | Pag. 3                                                                            |
| 2-5                                                 | External assurance                                                          | No external assurance in place.                                                   |
| <b>ACTIVITIES AND WORKERS</b>                       |                                                                             |                                                                                   |
| 2-6                                                 | Activities, value chain and other business relationships                    | Pag. 15, 67                                                                       |
| 2-7                                                 | Employees                                                                   | Pag. 58                                                                           |
| 2-8                                                 | Workers who are not employees                                               | Pag. 59                                                                           |
| <b>GOVERNANCE</b>                                   |                                                                             |                                                                                   |
| 2-9                                                 | Governance structure and composition                                        | Pag. 21, 22                                                                       |
| 2-10                                                | Nomination and selection of the highest governance body                     | Pag. 21                                                                           |
| 2-11                                                | Chair of the highest governance body                                        | Pag. 21                                                                           |
| 2-12                                                | Role of the highest governance body in overseeing the management of impacts | Pag. 17, 21, 39                                                                   |
| 2-13                                                | Delegation of responsibility for managing impacts                           | Pag. 21                                                                           |
| 2-14                                                | Role of the highest governance body in sustainability reporting             | Pag. 3                                                                            |
| 2-15                                                | Conflicts of interest                                                       | Pag. 27                                                                           |
| 2-16                                                | Communication of critical concerns                                          | Pag. 27                                                                           |
| 2-17                                                | Collective knowledge of the highest governance body                         | Pag. 21, 22                                                                       |
| 2-18                                                | Evaluation of the performance of the highest governance body                | Pag. 21, 22                                                                       |
| 2-19                                                | Remuneration policies                                                       | Coster complies with all labor laws in each of the countries in which we operate. |
| 2-20                                                | Process to determine remuneration                                           | Coster complies with all labor laws in each of the countries in which we operate. |
| 2-21                                                | Annual total compensation ratio                                             | Information not available                                                         |

| STANDARD                         | REPORTING REQUIREMENT                              | COSTER'S RESPONSE                                                                         |
|----------------------------------|----------------------------------------------------|-------------------------------------------------------------------------------------------|
| STRATEGY, POLICIES AND PRACTICES |                                                    |                                                                                           |
| 2-22                             | Statement on sustainable development strategy      | Pag. 2                                                                                    |
| 2-23                             | Policy commitments                                 | Pag. 16, 30                                                                               |
| 2-24                             | Embedding policy commitments                       | Pag. 21, 22, 26, 27                                                                       |
| 2-25                             | Processes to remediate negative impacts            | Pag. 39                                                                                   |
| 2-26                             | Mechanisms for seeking advice and raising concerns | Pag. 27                                                                                   |
| 2-27                             | Compliance with laws and regulations               | In 2022 Coster has not recorded any fines for non-compliance with laws and/or regulation. |
| 2-28                             | Membership associations                            | Pag. 24, 58                                                                               |
| STAKEHOLDER ENGAGEMENT           |                                                    |                                                                                           |
| 2-29                             | Approach to stakeholder engagement                 | Pag. 17                                                                                   |
| 2-30                             | Collective bargaining agreements                   | Pag. 29                                                                                   |

### GRI 3: MATERIAL TOPICS

|     |                                      |                     |
|-----|--------------------------------------|---------------------|
| 3-1 | Process to determine material topics | Pag. 19             |
| 3-2 | List of material topics              | Pag. 3, 19          |
| 3-3 | Management of material topics        | Pag. 17, 18, 19, 20 |

### GRI 201: ECONOMIC PERFORMANCE

|       |                                                 |         |
|-------|-------------------------------------------------|---------|
| 201-1 | Direct economic value generated and distributed | Pag. 24 |
| 201-4 | Financial assistance received from government   | Pag. 24 |

### GRI 202: MARKET PRESENCE

|       |                                                                |         |
|-------|----------------------------------------------------------------|---------|
| 202-2 | Proportion of senior management hired from the local community | Pag. 59 |
|-------|----------------------------------------------------------------|---------|

### 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. 77 |
|-------|-------------------------------------------|---------|

### GRI 205: ANTI-CORRUPTION

|       |                                                                          |         |
|-------|--------------------------------------------------------------------------|---------|
| 205-1 | Operations assessed for risks related to corruption                      | Pag. 27 |
| 205-2 | Communication and training about anti-corruption policies and procedures | Pag. 28 |

|       |                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 205-3 | Confirmed incidents of corruption and actions taken | In 2022 Coster does not have:<br>any confirmed incidents of corruption.<br>any confirmed incidents in which employees were dismissed or disciplined for corruption.<br>any confirmed incidents when contracts with business were terminated or not renewed due to violations related to corruption.<br>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 | In 2022 Coster did not receive any legal action related to these issues. |
|-------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------|

#### GRI 301: MATERIALS

|       |                                    |         |
|-------|------------------------------------|---------|
| 301-1 | Materials used by weight or volume | Pag. 80 |
| 301-2 | Recycled input materials used      | Pag. 80 |

#### GRI 302: ENERGY

|       |                                            |         |
|-------|--------------------------------------------|---------|
| 302-1 | Energy consumption within the organization | Pag. 44 |
| 302-3 | Energy intensity                           | Pag. 45 |
| 302-4 | Reduction of energy consumption            | Pag. 45 |

#### GRI 303: WATER

|       |                                              |         |
|-------|----------------------------------------------|---------|
| 303-1 | Interactions with water as a shared resource | Pag. 50 |
| 303-3 | Water withdrawal                             | Pag. 50 |
| 303-5 | Water consumption                            | Pag. 50 |

#### 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. 52 |
|-------|-------------------------------------------------------------------------------------------------------------------------------------------|---------|

#### GRI 305: EMISSIONS

|       |                                         |             |
|-------|-----------------------------------------|-------------|
| 305-1 | Direct (Scope 1) GHG emissions          | Pag. 48     |
| 305-2 | Energy indirect (Scope 2) GHG emissions | Pag. 48     |
| 305-3 | Other indirect (Scope 3) GHG emissions  | Pag. 48, 94 |
| 305-4 | GHG emissions intensity                 | Pag. 48     |
| 305-5 | Reduction of GHG emissions              | Pag. 86     |

#### GRI 306: WASTE

|       |                              |         |
|-------|------------------------------|---------|
| 306-3 | Waste generated              | Pag. 51 |
| 306-4 | Waste diverted from disposal | Pag. 51 |
| 306-5 | Waste directed to disposal   | Pag. 51 |

| GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT                |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 308-1                                                     | New suppliers that were screened using environmental criteria                                                  | In 2022, 7 suppliers were screened upon environmental criteria (6 new suppliers and 1 re-evaluation), of which 4 are top-20 suppliers that represents 20%. In addition, 20 suppliers have been evaluated between 2018 and 2022.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 308-2                                                     | Negative environmental impacts in the supply chain and actions taken                                           | Pag. 78                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| GRI 401: EMPLOYMENT                                       |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 401-1                                                     | New employee hires and employee turnover                                                                       | Pag. 60, 61                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| GRI 402: LABOUR / MANAGEMENT RELATIONS                    |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 402-1                                                     | Minimum notice periods regarding operational changes                                                           | <p>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.</p> <p>For this reason, Coster's notice period is of 90 days (3 months)</p> |
| 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 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. 64                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| GRI 404: TRAINING AND EDUCATION                           |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 404-1                                                     | Average hours of training per year per employee                                                                | Pag. 61                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| GRI 405: DIVERSITY AND EQUAL OPPORTUNITY                  |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 405-2                                                     | Ratio of basic salary and remuneration of women to men                                                         | Pag. 62                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 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. 29                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| GRI 408: CHILD LABOR                                      |                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

|                                              |                                                                                               |                                                                                                                                                                                                                                 |
|----------------------------------------------|-----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 408-1                                        | Operations and suppliers at significant risk for incidents of child labor                     | Pag. 30                                                                                                                                                                                                                         |
| <b>GRI 409: FORCED OR COMPULSORY LABOR</b>   |                                                                                               |                                                                                                                                                                                                                                 |
| 409-1                                        | Operations and suppliers at significant risk for incidents of forced or compulsory labor      | Pag. 30                                                                                                                                                                                                                         |
| <b>GRI 410: SECURITY PRACTICES</b>           |                                                                                               |                                                                                                                                                                                                                                 |
| 410-1                                        | Security personnel trained in human rights policies or procedures                             | 100% of security personnel, where employed, have received formal training in human rights policies and procedures and their application to security.                                                                            |
| <b>GRI 411: RIGHTS OF INDIGENOUS PEOPLES</b> |                                                                                               |                                                                                                                                                                                                                                 |
| 411-1                                        | Incidents of violations involving rights of indigenous peoples                                | Pag. 30                                                                                                                                                                                                                         |
| <b>GRI 413: LOCAL COMMUNITIES</b>            |                                                                                               |                                                                                                                                                                                                                                 |
| 413-1                                        | Operations with local community engagement, impact assessments, and development program       | Pag. 55                                                                                                                                                                                                                         |
| 413-2                                        | Operations with significant actual and potential negative impacts on local communities        | Pag. 55                                                                                                                                                                                                                         |
| <b>GRI 414: SUPPLIER SOCIAL ASSESSMENT</b>   |                                                                                               |                                                                                                                                                                                                                                 |
| 414-1                                        | New suppliers that were screened using social criteria                                        | In 2022, 7 suppliers were screened upon environmental criteria (6 new suppliers and 1 re-evaluation), of which 4 are top-20 suppliers that represents 20%. In addition, 20 suppliers have been evaluated between 2018 and 2022. |
| 414-2                                        | Negative social impact in the supply chain and actions taken                                  | Pag. 78                                                                                                                                                                                                                         |
| <b>GRI 415: PUBLIC POLICY</b>                |                                                                                               |                                                                                                                                                                                                                                 |
| 415-1                                        | Political contributions                                                                       | Coster Group does not support with donations any political party or political entities.                                                                                                                                         |
| <b>GRI 416: CUSTOMER HEALTH AND SAFETY</b>   |                                                                                               |                                                                                                                                                                                                                                 |
| 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.                                                                                                                                                                                                                 |
| <b>GRI 417: MARKETING AND LABELLING</b>      |                                                                                               |                                                                                                                                                                                                                                 |
| 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.                                                                                                                                                                                                                 |
| 417-3                                        | Incidents of non-compliance concerning marketing communications                               | In 2022 Coster has not recorded any non-compliance related to marketing communication.                                                                                                                                          |
| <b>GRI 418: CUSTOMER PRIVACY</b>             |                                                                                               |                                                                                                                                                                                                                                 |
| 418-1                                        | Substantiated complaints concerning breaches of customer privacy and losses of customer data  | Pag. 39                                                                                                                                                                                                                         |



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