

Supplier Code of Conduct

coesia

Index

Introduction

1. Preliminary themes

- 1.1 Scope of application
- 1.2 Compliance with the Code of Conduct and dialogue
- 1.3 Transparency and verification
- 1.4 Compliance with laws and regulations
- 1.5 Tax and contribution obligations
- 1.6 Reporting System

2. Ethical standards and labor norms

- 2.1 Child labor exploitation and forced labor
- 2.2 Fair wages and working hours
- 2.3 Equal pay and non-discrimination
- 2.4 Right to organize and freedom of association

3. Business relations and illicit behaviors

- 3.1 Fair competition and business integrity
- 3.2 Compliance with foreign trade law regulations
- 3.3 Conflict of interest
- 3.4 Financing armed groups and conflicts-fuelling materials
- 3.5 Organization
- 3.6 Obligation to act according to the highest standards of fairness and transparency

4. Health and safety

- 4.1 Health and safety at work and risk reduction
- 4.2 Hazardous substances
- 4.3 Quality and safety requirements for products and services

5. Environmental protection

- 5.1 Environmental management
- 5.2 Greenhouse gas reduction
- 5.3 Protection of natural resources and biodiversity
- 5.4 Conservation of water resources
- 5.5 Persistent organic pollutants
- 5.6 Waste management
- 5.7 Circular economy

6. Confidentiality, privacy and IPR

- 6.1 Data protection and information safeguarding
- 6.2 Respect and protection of intellectual property (IPR)

Introduction

Introduction

Coesia S.p.A. and all its subsidiaries (hereinafter also “Coesia” or “the Group”) are committed daily to promoting relationships and business models based on the values of respect, responsibility, knowledge, and passion, and aim to create sustainable long-term economic, social and environmental value for customers, employees, shareholders and the communities in which they operate.

This Supplier Code of Conduct recalls and deepens the rules of conduct expressed in the Coesia Code of Ethics, defining the behavior guidelines that suppliers must comply with in their business interactions with the Group. Furthermore, it is important to note that Coesia and its Italian affiliates have adopted an organizational, management and control model in accordance with D.lgs. 231/01¹, in addition to the Code of Ethics and an International Anti-corruption System.

¹ [DECRETO LEGISLATIVO 8 giugno 2001, n. 231](#)

1. Preliminary themes

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1.1 Scope of application

This Code applies to every supplier that establishes a business relationship with the Group, regardless of legal nature, sector of belonging, size, geographical location or contractual type. The term “supplier” includes any natural or legal person who sells goods or provides services to the Group, including its employees, agents, representatives and subcontractors, as well as any other subject involved in the supply chain.

1.2 Compliance with the Code of Conduct and dialogue

Suppliers are required to acknowledge and strictly adhere to the Code, as well as to ensure that their collaborators and business partners comply with the same provisions. It is essential that suppliers foster a climate of awareness and responsibility within their organizations, actively promoting the principles of the Supplier Code of Conduct. Furthermore, it is hoped that suppliers establish a constructive dialogue with the Group for any clarification or support needed for the interpretation or application of the rules of the Supplier Code of Conduct, thus reinforcing a mutual commitment towards high ethical and professional integrity standards.

1.3 Transparency and verification

The Group reserves the right to conduct audits, also through third parties, to verify the suppliers' compliance with the provisions of the Code of Conduct and to undertake appropriate actions in case of detection of violations. Full cooperation is expected from suppliers, in verification activities, including the willingness, to provide information, documentation and to welcome inspections, as well as in adopting necessary corrective measures to align with the provisions of the Code in case of non-compliance. The Group reserves the right to suspend or terminate business relationships with those suppliers who do not fulfill the obligations provided by the Code or who do not demonstrate a concrete and continuous commitment towards its respect.

1.4 Compliance with laws and regulations

Suppliers are required to respect and strictly adhere to the laws and regulations in force in all the countries in which they operate, supply and/or sell products and services, in addition they are required to act in accordance with the principle of absolute lawfulness. Every aspect of their operations, including (but not limited to) production, distribution, marketing, sales, customer service and human resources management, must be carried out in compliance with current legal regulations.

1.5 Tax and contribution obligations

Suppliers are required to observe all tax and contribution obligations prescribed by the laws and regulations in force in the countries in which they operate, procure resources or market products and services. It is required that taxes, duties, contributions are declared and paid accurately. Furthermore, Coesia aims at emphasizing the importance for suppliers to maintain detailed and transparent accounting that accurately reflects their economic and financial activities. The documentation related to the correct fulfillment of the tax and contribution obligations must be made available promptly on request.

Suppliers are also bound to avoid any form of tax evasion, artificial transfer of profits or irregular exploitation of privileged tax regimes, or any behavior that could be considered illegal. It is essential that they comply with international regulations on cooperation and exchange of tax information, as outlined by the Organization for Economic Cooperation and Development (OECD)² and the European Union.

² [CETS 127 - Convention on Mutual Administrative Assistance in Tax Matters as amended by the 2010 Protocol](#)

1.6 Reporting System

Suppliers are strongly encouraged to structure and manage an effective internal Reporting System (aka “whistleblowing”). It is crucial to ensure that individuals who use this system have the option to remain anonymous, and will be free from any kind of retaliation enjoying full protection. The primary goal is to ensure the protection of employees, collaborators, consultants or third parties who, acting in good faith, report unlawful or non-compliant conduct, in order to promote and safeguard transparency and integrity in business relations.

Suppliers may produce reports to Coesia in accordance with Coesia’s Global Whistleblowing Policy available on the website www.coesia.com.

To submit reports, a digital platform can be used, with a guarantee of utmost confidentiality:

in written form:



coesia.ethicspoint.com



coesia.navexone.eu

or

QR Code



in oral form:



Through various telephone lines per country, indicated on the platform coesia.ethicspoint.com, (available 24/7).

You can also request information or clarifications by sending an email to codethics@coesia.com.

2. Ethical standards and labor norms

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Coesia is committed to the adoption and sharing of the Ten Principles of the United Nations Global Compact³ and the ILO Conventions⁴, with particular attention to respect for fundamental labor rights. This dedication is manifested in the policies and practices implemented by the company, which cover issues such as the prohibition of child labor exploitation, the guarantee of fair remuneration, the prevention of forced labor, the regulation of working hours, the equal pay, the fight against discrimination, the right to organize and freedom of association. Consequently, suppliers are required to adhere or formally align with these principles and essential rights within their policies, procedures and working practices.

2.1 Child labor exploitation and forced labor

Suppliers are prohibited from employing children in violation of the International Labor Organization's conventions on the minimum age for admission to work and the worst forms of child labor. Suppliers must take effective measures to prevent and eliminate such practice. Coesia also strongly condemns any form of modern slavery, forced, obligatory or coerced labor. It is of fundamental importance that suppliers guarantee workers the full right to accept, refuse or terminate their employment at any time, without threats, penalties or restrictions on personal freedom.

(Refer to the ILO Conventions on minimum age no. 138⁵ and 182⁶ and those relating to forced labor no. 29⁷ and no. 105⁸).

⁵ C138 - Minimum Age Convention, 1973 (No. 138)

⁶ C182 - Worst Forms of Child Labour Convention, 1999 (No. 182)

⁷ C029 - Forced Labour Convention, 1930 (No. 29)

⁸ C105 - Abolition of Forced Labour Convention, 1957 (No. 105)

³ [The Ten Principles | UN Global Compact](#)

⁴ [Conventions and Recommendations](#)

2.2 Fair wages and working hours

Working hours, including overtime, must be managed in accordance with laws, regulations, collective agreements and pertinent international conventions such as ILO Convention no.1⁹ regarding working hours in the industry. Suppliers must avoid scheduling overtime as a solution to insufficient regular wages and, if unavoidable, must ensure that the compensation respects legal regulations and collective agreements.

Performance outside of standard hours should not be imposed by exploiting workers' vulnerability or under the threat of sanctions. Suppliers must comply with all laws and regulations, including those relating to minimum wages (where present), overtime hours and mandatory benefits.

The pay ranges offered must at least reflect those established for the operating or industrial sector. Workers' compensation must be fair and prompt, ensuring dignified and respectful treatment.

(In the absence of legal requirements for the minimum wage, Convention no. 131¹⁰ of the International Labour Organization should be the point of reference).

⁹ C001 - Hours of Work (Industry) Convention, 1919 (No. 1)

¹⁰ C131 - Minimum Wage Fixing Convention, 1970 (No. 131)

2.3 Equal pay and non-discrimination

Suppliers are required to ensure fair and non-discriminatory pay for both genders, actively engaging in preventing discrimination in the workplace. It is imperative to ensure equal treatment for all workers, without any distinction based on ethnicity, color, gender, age, language, religion, political opinions, national origin, social status, disability, sexual orientation, gender identity, marital status or other characteristics protected by law.

(Refer to ILO Conventions no. 100¹¹ on pay equality and no. 111¹² on discrimination).

2.4 Right to organize and freedom of association

The Group reiterates its commitment to recognize and respect workers' rights to freedom of association and collective bargaining. It is essential that suppliers ensure respect for workers' decisions to join or not join unions or other representative organizations, avoiding any form of interference, intimidation, retaliation or discrimination.

(Refer to ILO Conventions no. 87¹³ on Freedom of Association and Protection of the Right to Organize, and no. 98¹⁴ on the Right to Organize and Collective Bargaining).

¹¹ C100 - Equal Remuneration Convention, 1951 (No. 100)

¹² C111 - Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

¹³ C087 - Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)

¹⁴ C098 - Right to Organise and Collective Bargaining Convention, 1949 (No. 98)

3. Business relations and illicit behaviors

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3.1 Fair competition and business integrity

Suppliers must operate ethically and responsibly, respecting the principles of fair competition, refraining from dishonest or misleading business practices in accordance with Coesia's Anti-corruption Procedure. They must comply with antitrust regulations, prohibiting illegal activities such as price manipulation, market division or abuse of a dominant position. It is fundamental to conduct activities with highest integrity, respecting laws against corruption and money laundering.

3.2 Compliance with foreign trade law regulations

Suppliers are required to implement suitable measures to ensure that every transaction with third parties complies with current laws related to economic embargoes, international trade regulations, import and export controls, as well as regulations against financing terrorism in the context of foreign trade. Moreover, suppliers are responsible for maintaining up-to-date knowledge of international legislative and regulatory developments, ensuring that their business operations reflect at any time the legal standards required.

3.3 Conflict of interest

It is essential that suppliers act ethically and transparently, avoiding situations where personal or financial interests could influence, or appear to influence decisions taken during their business with the Group. Suppliers must immediately disclose any potential conflict of interest to the organization, thus ensuring integrity and trust in all business interactions.

3.4 Financing armed groups and conflicts-fuelling materials

Suppliers are required to ensure that their products and services do not originate in conflict zones, where profits could directly or indirectly support armed groups. This implies careful assessment of supply chains and commitment to monitoring, aimed at avoiding the risk of support, even unintentional, to such groups. In compliance with the European Union regulation on conflict minerals (EU Conflict Minerals Regulation¹⁵), suppliers must declare and ensure that their products, components or materials, do not contain “Conflict Minerals” that may contribute to armed conflicts. This compliance requires a thorough check of the origin and supply chain of the minerals, especially those coming from high-risk areas.

¹⁵ [Conflict Minerals Regulation](#)

3.5 Organization

Suppliers are required to commit to ensuring the timely execution of their assigned tasks, employing the necessary organization and resources.

3.6 Obligation to act according to the highest standards of fairness and transparency

Observing conduct that meets the highest standards of fairness and transparency in the management of the supply chain is essential to ensure integrity and responsibility at all levels. It is crucial that suppliers demonstrate a rigorous commitment, ensuring complete transparency and providing detailed information when requested. This process is not limited to direct suppliers, but it is extended to all levels of the value chain. Suppliers must therefore adopt a proactive approach in defining a process aimed at identifying, assessing and mitigating ESG risks along their own supply chain, as well as being able to provide accurate and detailed documentation and reporting on the performance of their operations and practices, both their own and those of their suppliers.

Furthermore, it is essential to monitor and keep policies updated to emerging regulations, in order to ensure full compliance with current laws.

4. Health and safety

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4.1 Health and safety at work and risk reduction

Suppliers are expected to comply with applicable regulations and reference standards on occupational health and safety (ISO 45001 or similar), ensuring a safe environment for their employees and implementing preventive procedures as well as providing detailed documentation on safety measures, including the classification, labelling and packaging of substances to protect human health and the environment.

Employee training and the installation of safety devices are priorities, along with regulatory compliance. Through this document, Coesia intends to stress the importance for suppliers of implementing measures aimed at managing and reducing health and safety risks, carrying out a specific risk assessment at every operational stage, with the identification and application of preventive and corrective measures.

4.2 Hazardous substances

Suppliers must comply with all applicable laws and regulations regarding formal obligations on commercial products provided to Coesia, adopting the best production practices and addressing potential environmental, health and safety issues.

Based on international standards and reference regulations¹⁶, the suppliers will need to appropriately identify hazardous chemicals and mixtures and communicate them to Coesia, also ensuring that they are managed, used, transported, stored, recycled and disposed of safely.

In the supply of electrical and electronic materials, suppliers must comply with international standards regarding limitations on the use of certain hazardous substances, recovery and safe disposal¹⁷. Suppliers are also required to ensure compliance with international regulations regarding the use of mercury (Minamata Convention¹⁸).

¹⁶ E.g.: [UN Global Harmonised System of Classification and Labelling of Chemicals \(GHS\)](#); [EC Regulation n. 1272/2008 Classification, Labelling, and Packaging of Substances and Mixtures Regulation \(CLP\)](#); [UE Regulation n. 1907/2006 Registration, Evaluation, Authorisation and Restriction of Chemicals \(REACH\)](#)

¹⁷ E.g.: [Direttiva RoHS 2011/65/UE](#); [Direttiva RAEE 2012/19/UE](#)

¹⁸ [Minamata Convention on Mercury](#)

4.3 Quality and safety requirements for products and services

Suppliers must adhere to the quality standards defined through contractual agreements or generally recognized. Adherence to such standards is crucial to ensure that the goods and services provided effectively meet the specific needs and safety requirements requested.

The goods and services must ensure the complete satisfaction of the customer's expectations, respecting technical specifications, reliability, and ability to meet functional and performance needs. It is also essential that such products or services are safe for the intended use, avoiding risks to the health and safety of users and complying with product safety regulations.

5. Environmental protection

5. Environmental protection

5.1 Environmental management

Suppliers are called to respect applicable environmental regulations and to conform to the reference environmental standards by adopting an effective environmental management system in accordance with the reference international standards (e.g. ISO 14001, Eco-Management and Audit Scheme EMAS or similar).

Suppliers are required to manage and improve their environmental performance, reducing the impacts related to their products and services, from a life cycle perspective, according to the precautionary principle, particularly when the natural resources needed to support food production, access to drinking water, access to health facilities or a person's health are compromised.

Suppliers, in addition to complying with legal requirements, are required to prevent, reduce and mitigate any form of environmental pollution (air, water, soil and groundwater, etc.), to prevent environmental accidents and to promptly recover and restore damages in case of accident.

Suppliers are required to identify the significant environmental impacts related to their activity, to develop and implement plans for improvement and specific key performance indicators to monitor their performance. They are also required to monitor, record, document and, upon request, provide Coesia with quantitative data and environmental performance, life cycle inventory/assessment reports or environmental footprints related to the product and service provided.

5.2 Greenhouse gas reduction

Coesia is committed to reducing greenhouse gas emissions in its activities and products: the involvement of its supply chain is crucial to achieve the set objectives.

The Group asks its suppliers to provide transparency on the data related to emissions from their activities and upstream activities: upon request, suppliers will have to share with Coesia greenhouse gas emissions information on scope 1, 2 and 3 related to products and/or services calculated according to internationally recognized global standards (GHG Protocol, ISO 14064, ISO 14067, etc.).

Suppliers are required to improve their energy efficiency and increase the use of energy from renewable sources, setting scientifically valid greenhouse gas reduction targets, aimed at a gradual decarbonization of their activities and of the related supply chain.

5.3 Protection of natural resources and biodiversity

Suppliers are required to commit to reducing the use of resources and raw materials, eliminating waste produced during activities, where possible. They are encouraged to develop practices aimed at reducing environmental impact along the entire supply chain, starting from the control of water pollution to the optimization of processes to reduce emissions. In addition, suppliers are called upon to verify that, within their production and supply processes, there are no acquisitions, constructions or other illegal uses of lands, forests and waters, the use of which guarantees the livelihoods of people.

Suppliers are called upon to actively contribute to the protection of natural ecosystems, biodiversity and ecosystem services, to prevent the overexploitation of natural resources, to promote the restoration of ecosystems, to stop any contribution to deforestation, degradation and/or conversion of forests and to act in line with internationally recognized standards in the field of conservation of natural systems.

5.4 Conservation of water resources

Suppliers are required to preserve and manage water resources responsibly (“Water Stewardship”), optimizing the use of water, setting targets for reducing its exploitation and returning water with a quality suitable for the ecosystem concerned, with particular attention to those located in areas subject to water stress or of high environmental and biodiversity value, possibly beyond legal requirements.

Suppliers are called upon to adopt solutions aimed at the reuse of wastewater, also through dedicated treatments.

5.5 Persistent organic pollutants

Suppliers have the responsibility to ensure that their production and supply processes comply with all the regulations in force in the country where they operate, regarding persistent organic pollutants. A key element in this context is the Stockholm Convention¹⁹, the international agreement that sets guidelines for the management of persistent organic pollutants..

¹⁹ [Stockholm Convention on persistent organic pollutants \(POPs\)](#)

5.6 Waste management

Suppliers are required to support correct treatment and disposal of waste, in compliance with applicable laws and regulations. This includes compliance with the Waste Directive 851/2018/EU²⁰ which establishes a waste hierarchy and confirms the “polluter pays” principle.

Suppliers are also subject to ensure that their production and supply operations meet the requirements of the Basel Convention²¹, which regulates the control of transboundary movements of hazardous waste and their disposal.

5.7 Circular economy

Suppliers are invited to support the use and development of renewable and recycled raw materials and to promote the adoption of processes and products/services designed to optimize the use of resources, progressively replacing non-renewable resources with renewable or recycled ones, using materials suitable for recycling and recovery, preventing waste production, and maximizing the amount of waste sent to recovery operations and - preferably - to material recycling, in line with the Circular Economy model.

²⁰ [Directive \(EU\) 2018/851 of the European Parliament and of the Council of 30 May 2018 amending Directive 2008/98/EC on waste](#)

²¹ [Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal](#)

6. Confidentiality, privacy and IPR

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6.1 Data protection and information safeguarding

Suppliers are required to comply with the current laws regarding the protection of their employees' personal data. This implies compliance with the General Data Protection Regulation (GDPR)²² and any other relevant legislation in the country in which they operate. The acquisition, processing and storage of personal data must be carried out in full compliance with privacy laws and in accordance with the rights of the individuals concerned.

The protection of confidentiality, accessibility and integrity of information and systems processing information is equally important. Every Supplier is required to implement adequate measures to ensure the confidentiality, accessibility and integrity of information and systems involved in contractual activities. This includes, but is not limited to, access controls, encryption, continuous monitoring and vulnerability management to prevent security breaches.

²² [Regulation \(EU\) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC \(General Data Protection Regulation\)](#)

6.2 Respect and protection of intellectual property (IPR)

Suppliers commit to protect and correctly use confidential information, respecting the intellectual property rights of third parties. This includes, but is not limited to, patents, trademarks, copyright and trade secrets. Suppliers must avoid any unauthorized use of such intellectual properties and must obtain all necessary authorizations and licenses before using any third party intellectual property in their operations.

