



CODE OF ETHICS

1. Foreword

According to the Confindustria Guidelines, referred to several times in the CONAI Model 231, the adoption of ethical principles for the prevention of crimes pursuant to Italian Legislative Decree 231 of 2001 (hereinafter, for the sake of brevity, also referred to as the “**Decree**”) is an essential element of a company’s preventive control system.

At CONAI, these principles are included in this Code of Ethics (hereinafter, also the “Code”), which is to be considered an official institutional document.

CONAI intends to closely integrate its Organisation, Management and Control Model with its Code of Ethics, in order to form a body of internal regulations aimed at fostering a culture of ethics and transparency.

The adoption of a Code of Ethics is essential to a company’s internal control system and, in particular, to its system for preventing the crimes set forth in Italian Legislative Decree no. 231/2001, i.e. its Organisation, Management and Control Model, which defines the set of preventive and disciplinary measures and procedures conceived to reduce the risk of committing crimes within the organisation.

However, while the model responds primarily to the need to prevent, as far as possible, the commission of the crimes set forth in the Decree through the establishment of specific rules of conduct, the Code of Ethics is also a more general instrument, aimed at promoting a true “consortium deontology” and institutionalising the values, rules and principles shaping the character and operation of the Consortium and its individuals.

The Code of Ethics lays down the standard of behaviour that the Consortium expects its members, consultants, employees and partners (hereinafter referred to collectively as the “Recipients”) to adopt in conducting their activities.

2. Recipients of the Code of Ethics

The provisions of this Code of Ethics apply, without exception, to all those who, directly or indirectly, permanently or temporarily, operate with and on behalf of the Consortium, and in particular to the Recipients as indicated above.

These subjects must comply with the behavioural rules contained herein when liaising with a series of interlocutors, first and foremost Italian and foreign Public Administrations.

Once they have been informed of the existence of the Code, in accordance with the procedures established by CONAI, the Recipients are required to read it and take its contents on board, signing and returning to CONAI the attached declaration.

3. Purpose of the Code of Ethics

In addition to highlighting the necessary behaviour under Italian Legislative Decree no. 231/2001, the Code of Ethics draws attention to the principle of moral integrity and to the underlying ethical values promoted by CONAI.

The purpose of this Code is therefore to:

- set out the values inspiring CONAI in the performance of its activities, in order to ensure that these values represent the basic cornerstone of the internal culture;
- recommend, promote or prohibit certain conduct, beyond and regardless of the provisions of the applicable legislation;
- identify the standard of behaviour that must be followed by directors, employees, collaborators and partners of CONAI in conducting activities on behalf of the Consortium, and by those who, by virtue of specific mandates and powers of attorney, represent the Consortium in dealings with third parties.

4. The Code of Ethics: methodological profiles

This document has been drafted at the behest of CONAI and approved by the Board of Directors.

In drawing it up, CONAI was inspired by the Confindustria Guidelines.

5. Content of the Code of Ethics

This Code contains the:

- rights;
- duties;
- responsibilities

of CONAI towards its “stakeholders” (employees, suppliers, consortium members, supply chain consortia, Public Administrations, other economic operators involved in the management of packaging waste, etc.).

Moreover, this Code specifies the penalties to be imposed in the event of infringements.

6. Principles, values, duties and responsibilities

One of the Consortium’s essential principles is the observance of all the laws and regulations in force in the countries in which it operates.

Within their remit, every Consortium employee *must* commit to ensuring compliance with current laws and regulations.

This commitment also applies to consultants, suppliers, Consortium members, other supply chain consortia and anyone who has relations with the Consortium. To this end, CONAI shall not establish or pursue relationships with anyone who does not intend to align themselves or who otherwise demonstrate that they are not aligning themselves with this principle.

Employees must be aware of the laws and regulations applicable to their duties; when in doubt as to how to behave, the Consortium provides adequate support to its employees.

The Consortium guarantees an adequate training and awareness-raising programme on issues related to observing the Code of Ethics.

Before establishing ongoing relationships or entering into contracts with Partners, the Recipients are required to ascertain the other party's reputation.

All operations and transactions must be duly recorded, authorised, verifiable, legitimate, consistent and appropriate.

Indeed, all the actions and operations of the Consortium must be duly recorded and as a rule it must be possible to verify the compliance of decision-making, authorisation and execution processes.

Each operation must be adequately documented in order to be able to check, at any time, the characteristics and reasons for said operation, and identify who authorised, executed, recorded and verified same.

Honesty and transparency are fundamental principles for all CONAI activities and constitute essential elements of the Consortium's management.

The behaviour of the Recipients in carrying out their activities must therefore be based on the criteria of fairness, cooperation and loyalty.

CONAI undertakes to avoid discrimination on the basis of age, sex and sexual orientation, health, race, nationality, political opinions and religious beliefs in all decisions affecting relations with the Recipients.

The Recipients must avoid situations and/or activities that may lead to conflicts of interest with CONAI and that may interfere with their ability to make impartial decisions. In the event of a conflict of interest, the Recipients must refrain from participating, directly or indirectly, in any decision or deliberation relating to the matter to which the conflict relates.

The criterion of loyalty also requires each CONAI employee not to:

- accept employment positions, consultancy tasks or other responsibilities on behalf of third parties which are incompatible with the activities carried out for CONAI, without the prior written authorisation of the Consortium;
- carry out activities in any way contrary to the interests of the Consortium or incompatible with their official duties.

All the Recipients must consider compliance with the provisions of the Code of Ethics as an essential part of their obligations towards CONAI.

CONAI recognises the centrality of human resources and the importance of establishing and maintaining relations based on mutual trust.

In managing its working and collaboration relationships, the Consortium fully respects the rights of workers and believes in the importance of promoting their professional development and growth. CONAI organises training and refresher courses to preserve and develop the specific professional skills acquired during the collaboration.

CONAI is also committed to consolidating and spreading a culture of safety, developing an awareness of risks and promoting responsible behaviour by all Recipients, also to safeguard their health and safety.

CONAI demands that no harassment of any kind occur in both internal and external working relations.

To this end, for example, CONAI fights with every means possible the creation of a hostile working environment for individual workers or groups of workers, unjustified interference in the work of others, or the creation of obstacles and barriers to the professional prospects of others.

In particular, CONAI fights with every means possible any form of sexual harassment, meaning the subordination of opportunities for professional growth or other advantage to the provision of sexual favours, or proposals of private interpersonal relations which, by virtue of being unwelcome to the Recipient, may disrupt his or her serenity.

CONAI discourages the abuse of alcohol or drugs and smoking.

Each CONAI employee or staff member must refrain from doing business under the influence of alcohol or drugs or other substances having a similar effect, and from using such substances at work.

In order to protect the health of persons from the danger of passive smoking, CONAI bans all Recipients from smoking in its work environments, except in areas specially designated in accordance with applicable technical regulations.

CONAI promotes a culture of transparency and completeness/confidentiality of information.

The Consortium undertakes to keep all Recipients clearly and transparently informed of their situation and their progress in relation to the relationship established with same, without favouring any group or individual over others.

Data collected in the Consortium's databases and archives are processed exclusively to attain CONAI's institutional aims. The Recipients are obliged to guarantee the protection of the personal data being processed and to ensure that all the obligations laid down in the privacy regulations are observed.

In order to protect the environment and the Consortium's heritage, CONAI promotes the performance of activities centred around the correct use of resources and respect for the environment.

All the Recipients are required to collaborate with CONAI to achieve this primary objective; when carrying out their duties, therefore, they shall be committed to complying with the current legislation on environmental protection.

Recipients are directly and personally responsible for the protection and conservation of the assets and resources entrusted to them in order to carry out their duties, and therefore shall undertake to use them in a manner consistent with the interests of the Consortium and of society.

Basic principles regarding relations with third parties:

In managing relations with third parties, the Recipients are required to provide comprehensive, truthful and accurate information so that said third parties can make informed decisions.

Recipients must never promise or offer payments or goods or other benefits to promote or advance CONAI's interests unless the value of same is such as not to jeopardise the Consortium's image.

The selection of suppliers and the determination of procurement conditions shall be made on the basis of an objective and transparent assessment which takes into account, *inter alia*, the ability to provide and guarantee services of an adequate level, compliance with set requirements, and price.

Basic principles regarding relations with the Consortium's interlocutors: Public Administrations, Public Employees:

CONAI considers certain inappropriate behaviour towards employees of Public Administrations or officials acting on behalf of Public Administrations to be unacceptable, insofar as heralding potentially risky situations, if not being openly in violation of laws and/or regulations.

In particular, it is forbidden to offer money or gifts to directors, officials or employees of Italian and foreign Public Administrations or to their relatives, except in the case of gifts or benefits of modest value.

It is also forbidden to offer or accept any object, service, performance or benefit to secure a more favourable treatment in relations with the Public Administration.

In situations where it is customary to offer gifts to customers or other parties, it is possible to do so provided said gifts are of an appropriate nature and of modest value, and always in compliance with the laws. However, this should never be interpreted as a request for favours.

In the event of any ongoing negotiation, request or relationship with the Public Administration, the Consortium's staff must not attempt to improperly influence the decisions of the other party, including those of officials who process or make decisions on behalf of the Public Administration.

In the specific case of carrying out any operation with the Public Administration, it is important to operate in compliance with the law and good commercial practice.

If the Consortium avails of a consultant or a “third party” to represent it in relations with the Public Administration, the rules applicable to the Consortium’s employees must also be applied to said consultant and his/her staff or to said “third party”.

Moreover, the Consortium should not be represented, in relations with the Public Administration, by a consultant or “third party” when conflicts of interest may be generated.

In the course of any request or relationship with the Public Administration, the following actions must not be undertaken (either directly or indirectly):

- Assessing or proposing employment and/or commercial opportunities that may personally benefit employees of the Public Administration;
- Soliciting or obtaining confidential information that may compromise the integrity or reputation of both parties.

Any (actual or potential) violation committed by the Consortium or by third parties must be promptly reported to the competent internal bodies.

CONAI does not, in principle, make contributions to political parties, committees and political or trade union organisations.

The Consortium may contribute to the financing of political parties, committees, public organisations or political candidates provided this is done in compliance with current regulations.

Contributions may be made, in a documented manner and strictly in accordance with current laws, to non-profit associations with regular Articles of Association and Certificates of Incorporation, and having a high cultural value or being beneficial on a national scale.

Relations between CONAI and the mass media are the responsibility of expressly designated corporate functions and must be carried out in accordance with CONAI’s communication policy.

The Recipients may not provide information to the mass media without the authorisation of the relevant functions.

Participation, on behalf or as a representative of CONAI, in committees and associations of any kind, whether scientific, cultural or industry-related, must be officially authorised in advance in writing.

The information and communications provided must be true, complete, accurate and consistent with each other.

7. Explicit prohibitions in accordance with Italian Legislative Decree no. 231/2001

CONAI expressly forbids any criminal conduct that sees the involvement of the Consortium in criminal proceedings pursuant to Italian Legislative Decree no. 231/2001.

Any violation of these prohibitions is therefore entirely contrary to the interests of CONAI and its Code of Ethics.

8. How to implement the Code of Ethics

The task of supervising the efficiency and effectiveness of the Code of Ethics is entrusted to CONAI's supervisory body (hereinafter the "SB") in accordance with Italian Legislative Decree no. 231/2001.

To this end, the following tasks are assigned to the SB:

- Regularly verify the application and observance of the Code of Ethics through "ethical auditing" activities, which consist in assessing and promoting ethical improvements within the Consortium through an analysis and assessment of ethical risk control processes;
- Take initiatives to disseminate the Code of Ethics;
- Suggest changes and additions to the Code of Ethics to the administrative body;
- Receive reports on breaches of the Code of Ethics and investigate them;
- Carry out advisory functions in relation to the adoption of penalties;
- Submit an annual report to the administrative body on the activities carried out.

All the recipients are required to cooperate with the SB and to provide the documentation required to carry out the activities under its purview.

In cases of doubt about the lawfulness of certain conduct, its ethical disvalue or its opposition to the Code of Ethics, the Recipients are obliged to contact the SB.

Notifications of any wrongdoings by the Recipients must be in writing and can be forwarded directly to the SB at the CONAI office in Milan.

Reports of possible violations by the SB must be addressed to the Board of Directors for the necessary and/or appropriate investigations to be carried out.

9. Dissemination of the Code of Ethics.

Depending on the case and at the discretion of the SB, the latter shall disseminate the Code of Ethics to the Recipients through the Intranet and/or by e-mail and/or fax and/or mail and/or hand delivery, as follows:

- Transmission to the Consortium's Board of Directors so that said body can adopt the Code of Ethics by means of a suitable resolution and take the decisions it deems most appropriate in terms of coordinating the activities of its Supervisory and Control Body;
- Once approved:

- Transmission to CONAI employees (indicating that the Code of Ethics is binding on all employees);
- Transmission to the members of the Board of Statutory Auditors and to the Auditing Company;
- Publication on the CONAI website;
- Posting in a place accessible to all employees, in accordance with and for the purposes of article 7, paragraph 1 of Italian Law 300/1970:
- Organisation once a year, or in any case whenever necessary, of an informative meeting involving all the Recipients, aimed at illustrating any new ethical issues. Appropriate minutes of such meetings will be drawn up, specifying the people involved and the subjects covered;
- Information to external collaborators and suppliers regarding the existence of the Code of Ethics;
- Verification of the inclusion in the Consortium's contracts of a suitable clause aimed at informing third parties of the existence of the Code of Ethics, its mandatory nature and the consequences of non-compliance.

10. Disciplinary system and penalty mechanisms

Any conduct contrary to the provisions of the Code of Ethics will be investigated and sanctioned, insofar as contrary to CONAI's guiding principles.

Violations of the provisions of the Code of Ethics constitute an infringement of the relationship of trust with CONAI and of the rules legitimately imposed by the latter in its capacity as employer, and therefore constitute a disciplinary offence.

Such violations damage the relationship of trust established with the Consortium and consequently shall result in disciplinary actions, irrespective of the initiation of any criminal proceedings by the competent authorities. It is in fact evident that CONAI's internal disciplinary evaluation of conduct does not necessarily coincide with a judicial evaluation during criminal proceedings given the independence of the company's Code of Ethics and its internal procedures with regard to a legal violation envisaging a criminal act.

CONAI is therefore not required to wait until the end of any ongoing criminal proceedings before taking action. Under the principles of timeliness and immediacy, it is not only unnecessary, but indeed inadvisable to delay the application of disciplinary sanctions pending the ruling of a judge.

10.1. Methods for the application of sanctions and the types of sanctions that may be applied

CONAI has established an adequate disciplinary system for violations of the company's Code of Ethics, the Antitrust Compliance Guidelines and the procedures provided for in the Model.

CONAI specifies that, in the case of an employment relationship, sanctions are applied in accordance with the procedures laid down in art. 7 of the Workers' Statute and/or in special regulations, where applicable, and are characterised by the principle of correlation which requires the type and category of disciplinary action to be commensurate with the type and category of the violation.

Any sanctions for violations of the Code, therefore, will be commensurate with the type of violation and its consequences for CONAI, and will be adopted in accordance with applicable law and the National Collective Labour Agreement (CCNL) applied by the Consortium.

With reference to the sanctions applicable to CONAI's managers and employees, it should be noted that the commission of, or the attempt to commit, the offences referred to in Articles 24 *et seq.* of Italian Legislative Decree no. 231/2001 constitutes a serious disciplinary offence.

10.2. Penalties applicable to Employees

Any employee conduct that should violate the behavioural or procedural rules contained in this Code of Ethics shall be construed as disciplinary offences punishable in accordance with applicable law. In particular, the employee may incur a verbal or written warning, a fine, suspension from work and remuneration, dismissal with compensation in lieu of notice, or dismissal without notice.

In the event of violations of the Code of Ethics and of the procedures established by same (for example, failure by an accounting officer to comply with the provisions of the Code of Ethics or the procedures governing the management of cash flows) giving rise to technical and organisational problems, measures may be taken such as transferring the employee to another area of the consortium. The penalty will be applied by the General Manager, having sought the non-binding opinion of the SB.

10.3. Sanctions against members of the Board of Directors

If a violation of this Code of Ethics is committed by one or more members of the Board of Directors, the SB shall immediately notify the entire Board of Directors and the Board of Statutory Auditors of CONAI, expressing a judgement as to the seriousness of the infringement.

The Board of Directors, after consulting the Board of Statutory Auditors, will take appropriate measures and, in the case of serious infringements, will call a Shareholders' Meeting in order to present the facts of the case and enable it to adopt the necessary resolutions.

The member or members of the Board of Directors whose infringement is being discussed will be required to abstain from the relevant deliberations.

If violations are committed by a number of members of the Board of Directors such as to prevent the body in question from deliberating, the SB shall immediately notify the Consortium's Board of Statutory Auditors, which will act in accordance with the law, in particular by calling a General Meeting of Consortium Members for the adoption of the necessary measures.

10.4. Penalties applicable to third parties

Where the violation of ethical rules is carried out by a self-employed person, a supplier or any other party having contractual relations with the Consortium, the penalty applied by CONAI shall consist in terminating the contract pursuant to Article 1453 of the Italian Civil Code and requesting, where the conditions are met, compensation for any damages incurred by CONAI. To this end, CONAI shall insert an express termination clause in supply or collaboration contracts that make explicit reference to observance of the provisions of the Code of Ethics.

The undersigned _____ born in _____
on _____ residing in _____ tax code
_____, in his/her capacity as
_____ of CONAI, Consorzio Nazionale Imballaggi,

HEREBY DECLARES THAT

- he/she has received a copy of the Organisation, Management and Control Model under Italian Leg. Decree no. 231 of 8 June 2001 and of the Code of Ethics drawn up by CONAI;
- he/she has taken note of the provisions contained therein;
- he/she is committed to observing said provisions in full;

HEREBY CERTIFIES

- the absence of any conflict of interest;
- his/her full compliance with the powers of signature and proxies assigned;
- his/her full observance of the information flows to the CONAI Supervisory Board;
- the compliance of his/her work with internal procedures.

In witness whereof
(Date and Signature)
