



CODE OF ETHICS

OF

CDS LAVORAZIONI MATERIE PLASTICHE S.R.L.

Document approved by the Board of Directors of

CDS Lavorazioni Materie Plastiche S.r.l.

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Via del Commercio, 91/97 - 29122 Piacenza (PC) - Italy - Phone: +39.0523.621511 - Fax:
+39.0523.621550 – e-mail: info@cdssrl.it

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I. INTRODUCTION

a. About Us

The Company CDS Lavorazioni Materie Plastiche S.r.l. (hereinafter “CDS S.r.l.”, “the Company” or, more simply just “CDS”) started operations in Podenzano (PC) in 1977 producing various types of plastic products.

In 1980, *Cavaliere* Piero Delfanti joined the company and became Chief Executive Officer in 1985. In 1982, it began to establish a well-marked “food” production line: plates, trays, glasses and the famous caps for PET bottles.

Production quickly grew and in 1988, the company made its first move to the new facility at Sarmato (PC) with much more space available but which was already too small after a few years. At that stage, there were over 20 production lines.

In the 1990s, production stopped on the production of coasters for PET bottles, and CDS entered the world of plastic screw caps for the first time.

The company moved again in 1998, this time to the current headquarters in Piacenza where there is enough space to accommodate the growth of the company. In 2007, it acquired Viroplastic - Beverages Division, based in Calenzano (FI), giving CDS the opportunity to acquire a dominant position in the Italian world of the plastic closure production.

2010 was the year in which the Company manufactured its highest number of closures, at over 3 billion produced.

From 2013 onwards, CDS implemented an international development programme which led to the purchase of a facility in the Czech Republic, a facility in Spain, and subsequently a facility in Poland, therefore establishing itself as a true player of international standing.

b. The Code of Ethics

The work of CDS is informed by both the essential compliance with the law and regulations in effect in the countries in which it operates, the contents of this Code of Ethics (hereinafter the “Code”), a formal legal document that also falls under the scope of application of the organisation, management and control Model provided for under Legislative Decree 231/01.

The Code constitutes the set of principles that, expressed on a general basis, are necessarily applied in the rules, regulations and procedures that govern the specific operations of the Company.

Therefore, the standards of behaviour that all business associates operating under the management or supervision of the Company (directors, employees, etc.), regardless of the legal nature of the relationship, will have to comply with and ensure others comply with are presented through the Code.

The values and rules of conduct of the Code comprise the basis of Company culture, on which the care for qualitative excellence is based, obtained through continuous technological innovation in order to provide maximum levels of guarantee and protection to consumers.

The Code's rules can be framed as a tool established to protect the reliability, assets and reputation of the Company, respecting all applicable stakeholders.

CDS S.r.l. fosters the proper dissemination and continued updating of this Code of Ethics, ensuring that all intended users will have any instruments needed to encourage total application and implementation of checks aimed at the identification of any breaches of the laws, assessment of the cases and consequent establishment of the sanctioning measures.

The pursuit of any advantages to and/or interests of the Company is never permitted if it is not in line with the principles set out under the document in question.

d. To Whom and Where it Applies

The rules contained in this document apply, without exception, to all those who, directly or indirectly, temporarily or permanently, have relationships of any nature with the Company in question. These parties will be referred to below as the "Intended Users".

The Intended Users include but are not limited to the following:

- members of the Board of Directors whose work will be informed by the Code of Ethics in order to establish and pursue the organisational goals;
- managers, who deliver the principles and values contained in this document during the exercise of their duties, taking on the responsibilities and reinforcing trust and solidarity in the working environment;
- employees who, in full compliance with prevailing laws, model and adjust their behaviour to ensure it complies with the principles, commitments and objectives provided for under the Code of Ethics;

external business associates such as consultants, commercial partners and agents who will comply with the behaviour and practices enshrined by this document.



e. Where to Find the Code of Ethics

The Code is available in electronic form on the Company's website. If necessary, a paper copy can be requested from the Administration Department.

In order to encourage the reporting of any breaches of the Code by anyone who becomes aware of them, CDS S.r.l. has prepared and made available suitable communication instruments with the Supervisory Board which is the recommended channel for said reports.



II. THE VALUES

a. **Our Vision and Our Mission**

CDS has always strived to improve its products and presence on the market, trusting the people who work in the Company, motivating them and providing them with the best technology available.

This was made possible by giving people responsibility, and especially giving value to team work. The technical and cultural structure of the company owes much of its strength to the investment in human capital, which significantly increased the rate of technological development with improved products, progressively meeting the requirements and requests of customers.

The main objective of the Company is the research and development of products that guarantee performance, using increasingly lower amounts of raw materials and energy to lower the environmental impact and lead to financial savings.

b. **Our Basic Values**

Environmental Sustainability

CDS has always been committed to safeguarding the environment as a primary asset. To that end, it makes its choices in a way that ensures compatibility between the pursuit of its corporate purpose and environmental requirements.

The Company's business activities have to be carried out in accordance with international standards, prevailing laws on environmental protection and all the parties involved in the business activities of the Company itself.

The operational management of the industrial work must refer, in accordance with prevailing laws on prevention and protection in the workplace, to the most adequate criteria to safeguard the environment and energy efficiency in order to reduce the environmental impact.

Customer Satisfaction

The Company is highly customer-centric which lies at the core of company policies. CDS S.r.l. aims at pre-empting customer needs, ensuring a high standard of quality, service and punctuality to meet all expectations.

Quality

Another pillar of corporate culture is the issue of quality, considered to be a crucial element to ensure customer satisfaction in accordance with the long-term strategy.



Innovation

Innovation has always been one of the key points of CDS to permit the constant growth and development of the brand. All employees have to take part in the innovative process, cooperating, discussing and proposing new solutions in order to ensure continuous improvement.

Human Resource Development

CDS S.r.l. promotes initiatives that encourage the continuous development of its employees, achieving high standards of tolerance, safety and transparency.

The Company undertakes to ensure the highest possible levels of respect, courtesy and inclusivity at the workplace, recognising and respecting personal dignity, the private sphere and the personality rights of all people. The objective of the Company is to create a work environment that is characterised by the absence of racial, cultural, ideological, sexual, physical, moral or religious or other types of discrimination.

Respect is an attitude that encourages satisfactory interpersonal relationships and is a condition whereby the differences between people are accepted; it is achieved by the daily exercise of courtesy, which is just the human capacity to make others feel at ease.

The Group also rejects any behaviour that could result in crimes against individual personality and undertakes not to use child labour (apart from training activities aimed at facilitating the placement of young people in the world of work, such as the “Project School - Work” initiatives). An essential condition that suppliers have to comply with when establishing commercial relations is not to use child labour.

Passion

The roots of the success of the company, historically run as a family business, lie in its passion, which *Cavaliere* Piero Delfanti was able to pass on to the new generation and his employees, and that still guide the Company in the achievement of its objectives.

III. PRINCIPLES OF BEHAVIOUR

The activities carried out by the Company have to be performed in full compliance with the law and with full respect for the legitimate interests of the employees, the public authorities and the community.

All activities have to be carried out in accordance with the principles of integrity, lawfulness and honesty from both a formal and especially substantive standpoint.

To that end, CDS S.r.l. incorporated the following general principles and intends to promote compliance by all the Intended Users of this Code:

a) Compliance with the law

The Company, in the performance of its business activities, acts in full compliance with prevailing regulations and laws. Therefore, all activities have to be carried out in accordance with the law, the principles and procedures drawn up for that purpose.

CDS S.r.l. also requires management, the employees, and in general anyone who represents it, to act in an ethically correct way that does not compromise its moral and professional reliability. It also ensures that it will act in close cooperation with the public supervisory bodies, also in relation to sending the data and information required under the law, or legitimately required by the authorities.

Moving on from the general principles of behaviour to a more specific analysis, CDS S.r.l. defines obligations and prohibitions for anyone who interacts with the company. More specifically, the members of the Company bodies and managers will have to:

- behave in a way that is in line with this document;
- consult the Supervisory Board in order to request clarifications on how to apply it;
- co-operate with the Supervisory Board in identifying and promptly reporting any possible breaches of the Code;
- serve as an example, by their behaviour, for employees and in general, for anyone who has relations with the Company so that they can understand the importance of compliance with the Code;
- undertake, always in compliance with the powers conferred, actions and measures aimed at stopping any breaches of the Code of Ethics and/or Model 231.

Continuing on, employees, business associates, and more generally any parties involved in the work of the Company should:

- promptly report any breach or request to breach this Code to their direct superior or the head of the organisational department involved and to the Supervisory Board;
- co-operate with the Supervisory Board in all its supervision and control activities of the Code.

b) Separation of Powers and Compliance with the Delegations of Authority

CDS S.r.l. believes that all company processes have to comply with the principle of the segregation of duties, whereby no operator may control an entire process, and therefore the person “acting” cannot be the same as the person “managing”.

This principle must be read in association with the principle of compliance with the delegations of authority whereby all actions can only be carried out by the person who holds the necessary powers.

c) Corporate and Accounting Management

The Company promotes the pursuit of its corporate purpose in full compliance with prevailing laws.

To that end, it ensures proper management of the accounting books, in line with applicable laws and in general, compliance with the principles of honesty and veracity when drawing up any document that is legally relevant and that involves capital and economic-financial aspects.

In order to pursue that objective as well as possible, the Company monitors the work of its employees at all levels with respect to the activities involving the drafting of the accounts, the financial statements, etc.

CDS S.r.l., strongly opposes any practice that does not permit the proper flow of information towards departments and functions that are involved in checking and auditing.

The use of capital and financial resources of the Company is governed by rules and regulations to guarantee complete transparency, continuous reporting and to permit timely monitoring with respect to any transaction carried out.

d) Anti-corruption

It is not possible to pursue or achieve the interests of CDS S.r.l. and/or any other associated enterprises by breaching applicable laws. The Company encourages fair competition in the market, and, in managing its affairs, complies with competition rules and respects the common ethical principles such as: transparency, honesty, fair dealing and lawfulness.

In carrying out any activity, cases whereby the parties involved in the transactions are, or appear to be, in conflict of interest must be avoided. If this should occur, the individuals involved will have to immediately report it to their direct superior.

CDS S.r.l. does not permit any form of presents, favours or similar things that seek to obtain preferential treatment within the scope of the business activities of the Company and associated enterprises.

Similarly, any amount of money given to external business associates (for example consultants) as payment for a professional service will have to be in proportion to the quality and quantity of the activity carried out, considering market prices.

Acts of commercial courtesy such as gifts or forms of hospitality is permitted if their value is low and, in any case, do not compromise the integrity and/or reputation of one of the parties and could not be construed as aimed at obtaining undue advantages. In any case, these types of expenses have to be authorised and given in accordance with the approval procedure set out in the Model.

d) Management of Suppliers

CDS S.r.l. provides that the choice of suppliers and related acquisition of goods and services has to be managed by the applicable company departments, in accordance with applicable law and the in-house procedures drawn up. This activity also has to be conditional upon objective assessments regarding the quality, affordability, competitiveness and integrity.

Additionally, once the commercial agreement has been finalised, the Intended Users will have to ensure that the Company constantly meets the obligations imposed by said contracts.

Similarly, if the Intended Users become aware of unlawful behaviour regarding the suppliers, they will have to promptly notify the Supervisory Board, which will take any measures needed to safeguard the reputation of the brand and protect any party who may be damaged by said behaviour.

Additionally, with respect to the relationships whereby goods and/or services are provided, the Intended Users should:

- comply with all in-house procedures and the provisions of the Model concerning the selection and management of relations with suppliers;
- not prevent any supplier, who holds the necessary requirements, from the opportunity to enter into commercial relations with the Company, using, at the time of selection, criteria that are as objective as possible, and that revolve around fairness and transparency;

- develop honest and clear relations and communications with the suppliers in line with good customs in that regard;
- make the selection of suppliers on the basis of the needs of the organisation, with the ultimate purpose to obtain the best contractual terms possible in accordance with commercial quality and fairness requirements.

f) Relations with the Public Authorities and Policies

Pursuant to CDS S.r.l. requirements, only parties who have been specified in accordance with corporate procedures can have dealings with government entities and/or associated enterprises, public authorities, domestic and foreign institutions, public organisations and their officials, always in accordance with applicable legislation and the principles of transparency, honesty and fair dealing.

In relation to this aspect, the Company does not permit direct or indirect payments of any type (for example monetary, gifts, etc.) to be made to officials who form part of the above-mentioned entities, or to parties related to them (for example relations, partners, etc.) that could result in a benefit for CDS S.r.l. or its associated enterprises. Gifts and presents are permitted provided that they are low in value and in line with the provisions of in-house procedures. Any exceptions (for example for cultural, philanthropic purposes etc.) will have to be duly authorised.

If anyone operates in the name of the Company, they are strictly prohibited from making erroneous or untruthful declarations to domestic or EU public bodies in order to obtain disbursements, contributions, loans, permits and/or similar things and amounts received from said bodies may not be used for other purposes besides those defined for the disbursement.

Generally, the Company does not provide contributions to committees, political parties, organisations or similar bodies; if such cases occur, the law in effect must be complied with and they must be properly registered and recorded. Any involvement of parties required to comply with the above-mentioned Code of Ethics in activities of a political nature will have to be considered as being completely personal, and be carried out in accordance with prevailing laws.

g) Management of Relations with Research Institutes, Universities, Mass Media, Specialist Associations or other Similar Entities

The Company encourages the transmission of information to the outside that refers directly or indirectly to it, that is complete, transparent and fair.

Relations with research institutes, universities, mass media, specialist associations or other similar entities are reserved exclusively to the company departments and

responsibilities that have been delegated with the required authority and to the limits of the specific powers granted.

The Intended Users cannot give gifts, payments, presents or any type of advantage aimed at influencing the professional activities of said entities and associations in any shape or form.

h) Human Resource Management

The Company considers its employees to be a decisive and indispensable factor in the achievement of the success of the entire company. To that end, it continuously assesses the staff selected, improving and increasing the personal assets available to all resources.

The Company prohibits acts of psychological violence, behaviour or discrimination against people and their distinctive characteristics (for example sexual harassment, mobbing, etc.) and in general any conduct that could upset the sensitivity of the individual.

Coercive activities are also prohibited (for example requests, threats, etc.) aimed at inducing people to act in breach of the law and this Code of Ethics.

In order to encourage proper recruitment, it is subject to the complete check to ensure that the candidates match the occupational profiles sought, respecting equal opportunity rights for all the parties involved.

CDS S.r.l. aims to manage hierarchical relationships in a way that is, to the greatest extent possible, exercised with honesty and fairness, preventing all types of abuse.

The Company hopes that all staff hired are up to date with the applicable laws on labour, remuneration, social security and social-welfare. Everybody hired will have to behave in accordance with this Code of Ethics and applicable laws and any non-compliance will lead to the impending termination of the work contract.

i) Occupational Health and Safety

CDS S.r.l., in order to ensure the effective nature of the principle of the protection of occupational health and safety, with special attention paid to changes in the mandatory laws applicable and changes in the organisational structure, provided for:

- safety procedures, operational instructions and staff training programmes;
- constant analysis of the risks and resources to protect and the related documentation in the Risk Assessment Document;
- the implementation and application of its own organisational and functional structure relating to laws protecting occupational health and safety, with the

ultimate purpose of systematically reducing the risks for staff with respect to occupational accidents and illnesses;

- the obligation to immediately report any accidents to the Supervisory Board.

To that end, in order to put the measures prepared by the Company into effect, each Intended User will have to:

- use the equipment, means of transport and safety devices provided in an appropriate and conscientious manner;
- act in accordance with the provisions and instructions given for collective and individual protection;
- not carry out operations that do not fall within the boundaries of their competence and that could put staff or other workers safety at risk, apart from cases of extreme necessity or urgency;
- promptly report the malfunctioning of any equipment, devices or resources and any other conditions of danger that they become aware of in order to implement, as quickly as possible, improvements to the safety system;
- submit to medical visits and healthcare controls as provided for under prevailing laws.

l) Protection of the Environment

The Company, in the exercise of its professional activities, encourages protection of the internal and external environment, ensuring compliance with prevailing laws and fulfilling all required obligations.

To that end, all the intended users will have to:

- comply with and encourage compliance by others of the provisions and instructions given by the Company in order to comply with prevailing laws on the environment;
- report any unlawful behaviour that could undermine compliance with the provisions provided by CDS s.r.l. on environmental matters;
- use the appropriate spaces set up to collect and manage waste and the materials to dispose of.

m) Management of Information and Privacy

The Company strongly believes that sharing information is a crucial element for proper performance of the processes and for organisational development. However, this sharing must comply with the laws on privacy and confidentiality of company assets, meaning data, information, studies and know-how.

To that end, CDS S.r.l. encourages the proper processing of all information used in the

performance of its professional activities and undertakes to be completely compliant with prevailing laws, also using the support of expert consultants.

The prohibition on releasing news regarding the Company being confirmed, all the Intended Users must:

- develop the proper culture for managing data in order to prevent unauthorised parties from becoming aware of it;
- only acquire, manage and process the data that are actually necessary, required and in line with the purposes of the functions held and where access is duly authorised.

The Company also undertakes to maintain total confidentiality regarding news, information and data of a secret or confidential nature relating to any party connected to it (employee, consultant, external business partner, etc.).

These types of cases include price sensitive information such as information that could considerably influence the price of any financial instruments issued by the Group.

Additionally, all types of the above-mentioned information are managed by the Company in full compliance with prevailing laws on the processing of personal data.

n) Models and Procedures

The Company undertakes to draw up and implement procedures, organisational models of management, control and similar in order to promote the actual compliance with the values, principles and provisions of this Code of Ethics.

IV. IMPLEMENTATION OF THE CODE

a. Supervisory Board

CDS S.r.l. has set up a Supervisory Board which, including through the work of independent experts, has the following main functions:

- supervise the compliance, adequacy and compliance with this Code, investigating any breaches of it, promoting the inspections considered necessary and ordering any sanctioning measures;
- draw up the operating procedures or the additional sections, amendments or continued improvements to the existing ones in order to reduce the risk of breaching the Code;
- promote the dissemination and awareness of the Code, providing continuous communications aimed at helping it to be understood better;
- as the output of the supervision and inspections mentioned above, propose initiatives aimed at improving and updating the document to the Chairperson of the Board of Directors;
- promote the annual drafting of reports on the state of compliance and adequacy of the Code, to be shared with the Board of Directors.

The Supervisory Board is appointed by the Board of Directors who will decide its composition in accordance with the Decree, the duration in office and the remuneration.

b. Clarifications, Reports and Whistle-blowing

Considering all the protection provided for by the law or collective contracts in effect, and subject to legal obligations, the Supervisory Board is authorised to receive reports and/or notifications of potential or actual breaches of this Code and the Model (known as whistle-blowing, ref. article 6, paragraph 2-bis of Legislative Decree 231/01).

The Body will proceed, while ensuring the protection of the whistle-blowers against any form of direct or indirect retaliation, discrimination or penalisation after sending the report, also ensuring the confidentiality of the identity of the whistle-blower, subject to legal obligations and protection of the rights of the Company or of any individuals wrongly accused and/or accused in bad faith.

Therefore, there is an express prohibition against any direct or indirect retaliation or discrimination against the whistle-blower, as for the preparation of reports that are revealed to be groundless or made with wilful misconduct or gross negligence.

The procedures to be followed to manage, file and record the reports relating to potential breaches of this document are set out under the Rules of the Supervisory Board.

In order to make it possible to carry out the investigations and checks prepared by the Board, each employee or business associate governed by the above-mentioned Code has an obligation of cooperation, which includes: fair and honest responses to any questions made, through the communication of truthful, complete and accurate information; storage of pertinent documents and evidence, avoiding interference in ongoing investigations and maintaining maximum confidentiality, unless otherwise required.

CDS S.r.l. includes and allows for cases where the whistle-blower would prefer to make a report anonymously and therefore, promotes the use of applicable anonymous reporting channels, as provided for under the best practices in the area of whistleblowing.

c. Disciplinary Provisions

The principles contained in this Code set out the obligations of fairness, diligence and impartiality that enshrine the proper performance of the work provided and the behaviour that employees have to comply with respect to the Company.

Therefore, compliance with the above-mentioned rules is considered to be an integral part of the contractual obligations of employees in accordance with article 2104 of the Civil Code (Diligence of the employer).

In particular, breach of the Code's provisions may lead to the following, according to the seriousness of the action:

- disciplinary offence;
- non-compliance with the primary obligations of the employment relationship, with the consequences provided for by law and the applicable collective contract.

In cases of extreme severity, the Company reserves the right to request compensation for the damages caused by said unlawful action.

Any non-compliance with the rules contained in the Code by consultants, external business associates or suppliers of goods or services will be sanctioned on the basis of the clauses contained in the respective contractual agreements. More specifically, even partial failure to comply with the principles of behaviour set out under this Code and the Model will be assessed in order to protect the rights and interests of the Parties, taking into consideration the purpose of the Contract.

For more details on the disciplinary system adopted by the Company, please refer to the dedicated section in the General Part of Model 231.

V. GLOSSARY

“Code”	This Code of Ethics adopted by the Company, as added to, updated or amended from time to time, forms an integral part of the Organisation, Management and Control model pursuant to Legislative Decree 231/01.
“Business Associates”	Parties who have ongoing business relationships with the Company that are mainly personal and without any employment restrictions.
“Corruption”	In a general sense, the behaviour of a party who, in exchange for money or other undue benefits and/or advantages, for him/herself or for others, acts against his/her duties and obligations and/or in any case in breach of the laws of the applicable legal system.
“Decree”	Legislative Decree no. 231 of 8 June 2001 as amended on the administrative liability of entities.
“Intended Users”	Members of the governing bodies, the managers, employees and business associates of CDS Lavorazioni Materie Plastiche S.r.l.
“Employees”	Parties who are employed by the Company (including managers).
“Suppliers”	Parties who enter into contracts with the Company for works or operations or to supply goods or services to it.
“Model”	The organisation, management and control Model provided for under Legislative Decree no. 231 of 8 June 2001, with the most recent revision adopted by the Company.
“Supervisory Board”	A company body which is a typical, central component of the 231 organisation Model, at the same level as the Board of Directors, and engaged to monitor and ensure compliance and

the effective implementation of the Model, and to propose amendments and updates.