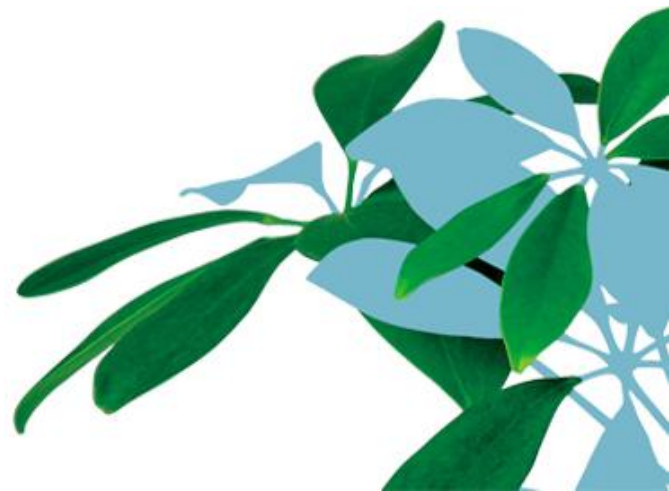


TeraPlastTM
italian beauty

CODE OF CONDUCT

Rev. 00 dated April 28th, 2021

Organisation, Management and Control model
according to Italian Legislative Decree 231/2001



Contents

1. Introduction to the Code of Conduct.....	4
2. Recipients of the Code of Conduct	4
3. Teraplast S.p.A.: our mission.....	4
4. Structure of the Code of Conduct	5
5. General principles	5
5.1 Observation of laws.....	5
5.2 Honesty and transparency	5
5.3 Bookkeeping and tax compliance transparency	5
5.4 Work protection	6
5.5 Protection of Safety in the workplace.....	6
5.6 Environmental protection.....	6
5.7 Working in quality	6
5.8 Innovation	6
5.9 Lawful competition.....	7
5.10 Contraband	7
5.11 Anti-money laundering.....	7
6. Behavioural criteria.....	7
6.1 Business management	7
6.2 Conflicts of interest	8
6.3 Use of company assets and protection of the company image	8
6.4 Observance of the regulations on health and safety in the workplace.....	8
6.5 Observance of environmental regulations.....	9
6.6 Relations with the Public Administration.....	9
6.7 Relations with Judicial Authorities.....	9
6.8 Gifts and other benefits.....	9
6.9 Relations with clients.....	10
6.10 Relations with suppliers.....	10
6.11 Privacy.....	10
6.12 Confidentiality	10
7. Implementation and control system	11

<i>7.1 Respect of the regulations in the Code of Conduct</i>	11
<i>7.2 Disciplinary system and penalties</i>	11
<i>7.3 Notices</i>	11
<i>7.4 Final instructions</i>	12

1. Introduction to the Code of Conduct

This Code of Conduct (hereinafter referred to as “Code”) gives the ethics and behaviour principles that all those who work in the name and on behalf of Teraplast S.p.A. (hereinafter referred to as “Teraplast” or “Company”) must follow.

Teraplast believes that it is essential to handle relationships with its employees, collaborators, clients, suppliers, partners, and more in general any third party, in a way that protects ethic values in a context of reciprocal respect, protection, transparency and correctness.

Setting this criterion as an obligatory principle, the Code of Conduct becomes a “Document of Values” in the framework of our company organisation, because it is a document whose values are fundamental and which all those who relate with the Company must respect or, even better, make their own.

This Code of Conduct, drawn up according to the “Confindustria Guidelines”, is an integral part of the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001 (hereinafter referred to as Model).

2. Recipients of the Code of Conduct

All internal and external parties that work for or with the Company, and as such which must respect what is written in the Code of Conduct, are called “Recipients”.

The recipients of the Code of Conduct include not only all hired personnel, including managers, collaborators, administrators, and members of the control bodies, but also all those who, either directly or indirectly, stably or temporarily, install relationships with Teraplast, for example consultants and suppliers.

3. Teraplast S.p.A.: our mission

For a few years, Teraplast has been supporting a responsible project involving the circular economy. Our mission is to give new life to plastic, making it a resource that can be re-used constantly. Choosing plastic deriving from domestic waste recycling (post use) as a raw material was a natural step, because in our sector plastic is the best material that exists for reducing the extraction of natural resources and minimising the emission of new waste.

Our mission is based on five principles:

1. We use and spread the principles of a circular economy. We use regenerated resources that derive from waste and we give them new life in respect of a sustainable system;
2. For us, design is a way of thinking about and creating our products so they are not just functional and nice to look at, but also accessible to everyone and, above all, sustainable;
3. We are a developing project that believes in transparency. We share success and reached objectives as we outstrip the obstacles that appear along our road. Honesty and collaboration mean we can reach goals that are increasingly more ambitious in the sustainability sphere;
4. Plastic is an essential resource that has been belittled because of misinformation. The problem is not its presence in our daily lives, but its disposal in the environment. We are working hard to spread the value of this material, which should be recognised and respected;

5. We are responsible for our actions, and this is why we are constantly committed to reducing to a minimum the environmental impact of the production cycle and the materials used. We concentrate on solutions because we believe in a propositional future.

This Code of Conduct is a fundamental tool for divulging and clarifying company principles.

4. Structure of the Code of Conduct

The Code of Conduct is divided into three main parts:

-) *general conduct principles;*
-) *behavioural criteria;*
-) *implementation and control system.*

5. General principles

5.1 *Observation of laws*

As they work, Recipients are required to observe the rules, laws and obligations cited by any regulation, licence and authorisation in force, rejecting fraud and fraudulent behaviour, the false communication of company data, corruption, the violation of regulations that protect safety and the environment, and any illegal practice in general.

Any activity that does not comply with laws, even if the possible source of important profits, is expressly forbidden.

5.2 *Honesty and transparency*

Honesty is the basic criterion behind all of Teraplast's activities, initiatives, products, reports and communications, and is an essential element of company management. All relations with stakeholders must be characterised by correctness, coherency, loyalty and reciprocal respect. Teraplast dialogues clearly, transparently, accurately and quickly with its stakeholders.

5.3 *Bookkeeping and tax compliance transparency*

When managing its accounting and tax obligations, Teraplast guarantees the transparency and correctness of the information that appears in important financial declarations, trying to guarantee the objective and subjective truth of the operations carried out and recorded in said declarations, as well as the completeness and correctness of its financial documents.

The accounts must be recorded following the principles of truth, transparency, accuracy, completeness, clarity and precision, in compliance with regulations in force.

5.4 Work protection

Teraplast guarantees the freedom of association of its workers and recognises the collective bargaining right. The company will not, either directly or indirectly, use forced and obligatory labour or child labour. It refuses all discrimination on the grounds of age, gender, sexuality, state of health, race, nationality, political opinions and religious beliefs; its hiring policies and human resources management repudiate any and all forms of discrimination. Teraplast is committed to preventing any form of mobbing and exploitation of labour, both direct and indirect, and recognises merit, work performance and professional potentiality as indispensable criteria for retribution and career development.

5.5 Protection of Safety in the workplace

Teraplast protects the safety, health and moral and physical integrity of its personnel. In doing so, it promotes responsible, safe behaviour and implements all the required safety measures to guarantee a safe and healthy working environment, in full respect of laws in force on prevention and protection.

5.6 Environmental protection

In everything it does to protect the environment and its biodiversity, Teraplast is committed to promoting responsible initiatives and developing the use of technologies that do not damage the environment. Teraplast aspires to a circular economy model, which it applies to all the production process phases, from design to production, to use, to the end of the life of the product, reducing the use of resources and energy. The Tera[®] brand came about from the principles of sustainability and transparency. This new line proposes vases made fully from secondary raw materials deriving from recycling supply chains and, only in some cases, with the addition of a part of the waste from its production. Moreover, all Tera[®] articles are “PSV” (Plastica Seconda Vita - Second Life Plastic) certified, because obtained from the development of plastic waste. Teraplast’s commitment to environmental protection does not just stop at the Tera[®] line, however; regenerated plastic is also used in the production of all the other sales lines where possible.

5.7 Working in quality

Teraplast believes that quality is essential for satisfying the expectations of clients, employees and important stakeholders, and is committed to continually improving its efficiency.

Teraplast’s objective is therefore to aim all activities and resources at creating products that are high quality, reliable, and which satisfy all the requirements of its clients. This is why the Company has implemented a Quality System that complies with UNI EN ISO 9001:2015 certification.

5.8 Innovation

The search for innovation is the core spirit that guides how Teraplast acts. The Company hires valid people to study new methods and new solutions so as to leave old habits and clichés behind.

Innovation means doing continuous research on perfecting the offered products and the work done to make excellence prevail.

5.9 Lawful competition

Teraplast promotes business agreements based on correctness without compromising and distorting normal competition.

Information about competitors is acquired correctly and lawfully, and the spreading of news or judgements on competitors' products in order to discredit them is forbidden.

5.10 Contraband

Teraplast guarantees the legitimate introduction into the country of goods subjected to border rights, paying particular attention to respect of Customs regulations.

Teraplast guarantees prior verification of the dispatchers it uses and also traceability of the Customs operations.

5.11 Anti-money laundering

Teraplast respects all the national and international anti-money laundering laws and regulations. The Company promotes correct financial resource management and the traceability of the operations referable to it, in particular the company procedures involving proceeds and payments, so that the origin of the money can always be identified.

6. Behavioural criteria

6.1 Business management

From a management point of view, every operation carried out in the interest or to the advantage of the Company must be inspired by:

-)] lawfulness under a formal and substantial aspect;
-)] maximum information responsibility, correctness, effectiveness, completeness and transparency;
-)] respect of this Code of Conduct and company procedures.

The following are forbidden:

-)] the pursuit of personal or third-party interests to the detriment of social interests; the realisation of interests or advantages for the Company in violation of law; the abusive use, for personal or third-

party interest, of the Company name and reputation, as well as the information acquired and the business opportunities undertaken while working;

) the use of company assets for unauthorised purposes.

In particular, the recipients of this Code must not become involved (even free of charge) in activities, behaviour and actions that are not compatible with the obligations connected with the relationship held with the Company.

6.2 Conflicts of interest

To avoid even only potential situations of conflict of interest, Recipients must declare any such conflicts beforehand, with particular reference (but not limited) to personal or family interests of any nature, even non-patrimonial, that could influence judgement on what the best interests of Teraplast would be.

Recipients will not make decisions involving said situations but will quickly declare them to their direct hierarchic superior, who will assess the effective presence and significance case by case.

6.3 Use of company assets and protection of the company image

All employees will use responsible behaviour while working diligently to protect the company assets, respecting the safety laws and the environment as cited by Law and the System procedures. The assets made available by the Company can only be used for the work done at Teraplast, unless specific authorisation has been received for their use externally.

Employees cannot publish on the social network, in blogs, and on Internet Websites in general, any material or information that could damage the Company image, its reliability and its market competitiveness.

6.4 Observance of the regulations on health and safety in the workplace

Workers must use the training, instructions and means supplied by their employer to take care of not just their own safety and health but also those of others who are in the workplace and on which the effects of their actions or omissions can fall. As such, workers must observe the measures implemented by company procedures, together with the regulations and instructions given by the employer and those in charge for their own protection and that of others.

While doing their job, workers act to prevent risks and to protect their own safety and that of colleagues and third parties.

For this purpose, the Company:

-) manages its activities in respect of laws in force on risk prevention and protection regarding safety and health at work;
-) implements the best technologies available and constantly verifies reliability in using systems/machines correctly, as well as their correct maintenance, modification and discontinuation;
-) applies operation procedures and technical standards to manage activities correctly;

- J implements a control system to guarantee maintenance over time of the safety conditions and the planned procedures;
- J trains personnel to reach the highest levels of safety and hygiene at work.

6.5 Observance of environmental regulations

In the environmental sphere, Teraplast assesses, controls, and where possible minimises, its environmental impact while working.

As such, the Company requests all Recipients of this Code to optimise their use of resources and use the materials available following a logic based on ecological sustainability.

6.6 Relations with the Public Administration

The relations between Teraplast and the Public Administration must be based on maximum transparency and correctness, in full respect of laws and regulations in force and the principles set in the Code of Conduct, so as to guarantee the total legitimacy of the work done by the Company.

As a result, the following are forbidden:

- J behaving in a manner that can even be interpreted as an attempt to compromise the fundamental principles of this Code;
- J promising, requesting, offering money or other benefits to Public Officials, Public Service Employees or employees of the Public Administration so as to circumvent the contract bargaining regulations;
- J presenting false declarations to national or European public bodies to obtain public funds, contributions or subsidised loans, or to obtain concessions, licenses or other administrative deeds.

During verifications and inspections by the pertinent Public Administration, employees must remain available and collaborative.

6.7 Relations with Judicial Authorities

Relations with Judicial Authorities and Public Officials must respect the principles of maximum collaboration, transparency and civic-mindedness.

Teraplast is committed to preventing anyone who has to speak before Judicial Authorities from being pressurised into not making declarations or making false ones.

6.8 Gifts and other benefits

Teraplast representatives must not accept gifts and other benefits given to them (even during festivities) because of their position and which are not of modest value. Teraplast representatives abstain from

practices that are not permitted by law, business customs, or the possible codes of conduct of other companies or institutes they are in relations with.

Gifts or other benefits that go beyond normal courtesy must be given immediately to the Company to be returned or given to charity, and the Supervisory Committee must be informed.

6.9 Relations with clients

The Company recognises client satisfaction and protection as its primary objective.

Every person must therefore work to the fullest of their possibilities so as to supply a service that best suits the requests and demands of clients while always maintaining an honest, collaborative and respectful relationship.

The behaviour of employees and collaborators must be guided by the criteria of manners, courtesy and availability.

Total client satisfaction through reliable, correct behaviour aimed at guaranteeing high quality products and services is Teraplast's primary objective.

6.10 Relations with suppliers

Suppliers are chosen exclusively through the criteria of objective selection and assessment, together with transparent methods, and considering quality, price and their ability to supply and guarantee services of a good level.

Supplier fulfilment of contract services must comply with the agreements made in the contract.

The Company forbids the Recipients of this Code from becoming involved in favouritism, corruption, and conspiratorial behaviour in relations with suppliers.

6.11 Privacy

Privacy and information confidentiality must be protected in accordance with the regulatory reference (regulation on privacy pursuant to 196/2003 as modified and European Regulation 2016/679) through regulations and procedures that discipline the data and sensitive information processing and preservation methods.

6.12 Confidentiality

Employees, collaborators and anyone who is in relations with Teraplast must, according to the principle of confidentiality, protect the technical, financial legal, administrative, personnel management and company business know-how and, more in general, any information obtained in relation to the work carried out, recognising said know-how and information as being owned by Teraplast.

7. Implementation and control system

7.1 *Respect of the regulations in the Code of Conduct*

The principles and behaviour illustrated in this Code of Conduct offer a general reference framework, but doubts can appear about how to interpret the principles and the correct way to face the different situations that can arise.

The Company therefore makes available to the Recipients a direct contact channel with those who can help clarify doubts about the Code of Conduct and its application.

To help diffuse and understand the regulations in this Code of Conduct as best as possible, the Company has prepared and created a communication and training plan aimed at favouring full knowledge.

Code of Conduct Recipients must:

- J respect the principles and regulations on behaviour that are defined in the Code;
- J inform their superiors or the Supervisory Committee of any critical situations or difficult moments regarding Code actualisation, or any violations of said Code they have come to know about, even if external to the post they hold in the Company;
- J collaborate with the structures appointed to verify possible violations;
- J request, from their superior and the Board of Directors, the application of possible penalties related to violation of this Code of Conduct;
- J implement suitable initiatives if third parties do not comply with Code regulations.

7.2 *Disciplinary system and penalties*

Recipients who in any way violate the regulations that appear in this Code of Conduct do not fulfil their obligations to the Company, with every resulting legal and contractual effect.

Any violation of these regulations will be suitably and proportionally penalised by the Disciplinary System, independently from the possible criminal importance of said behaviour; criminal proceedings will be started where pertinent.

The penalties applicable to employees respect the procedures indicated by the statutory rights of workers and the reference CBA.

The Company can dissolve the contract of any independent workers, suppliers, or other parties that violate the regulations cited in this Code of Conduct.

7.3 *Notices*

To guarantee the effective application of the Code of Conduct, the Company has established a pertinent channel for signalling any presumed non-observance of this document. Notices can be sent to: teraplast@mailodv.it

Teraplast uses internal procedures to handle notices.

7.4 Final instructions

This Code of Conduct comes into immediate effect from the date on which it is approved by the Board of Administrators and remains valid until it is reviewed or updated.