



Cellulose Converting Solutions S.p.A.

CODE OF ETHICS

Introduction

Long since **CELLULOSE CONVERTING SOLUTIONS SPA** (as follows "CCS SPA") committed itself to Corporate Social Responsibility and monitors the behaviour and actions of all stakeholders with the purpose of increasing, through greater attention to certain principles of ethics and good conduct, the value of its business.

In fact, Ethics and Corporate Social Responsibility is the challenge of the more knowledgeable companies, not only for a sense of responsibility towards the Community in which they operate and in compliance with the expectations of its internal and external interest holders (the stakeholders), but also to emphasize the values of their brand with a new character, exclusive and recognizable, which distinguishes the style of the company from its competitors. In this case, communication is combined with an industrial and commercial administration in a joint responsibility that engages everyone in CCS SPA to operate according to the goals of social responsibility.

With this work CCS SPA presents to all the stakeholders another important step in the construction of its know-how: the CODE OF ETHICS.

With the adoption of the Code of Ethics CCS SPA aims to communicate the principles that have characterized the action of the company since the beginning of the activity. These principles affect or will affect all the resources of CCS SPA (shareholders, directors, partners and employees) in conducting business and corporate activities.

The objective of the activity is to create value for shareholders, together with the customer satisfaction and the personal and professional enhancement of all employees and collaborators, by preserving and increasing over time the economic capital, the financial capital and, especially, the human capital supplied to CCS SPA.

CCS SPA also aims to consolidate and develop a confident relationship with stakeholders, namely the categories of individuals, groups or institutions whose contribution / relationship is essential to the achievement of the corporate mission.

To do this, CCS SPA is committed to avoid unethical behaviour with its stakeholders, recognizing as " unethical " and therefore hostile to the Company all the attitudes and behaviours of anyone (individual or organization) trying to reap the benefits arising from other's contributions, by exploiting positions of power.

CCS SPA also considers its "**good reputation**" an essential intangible resource, the maintenance of which reflects both inside and outside of the business.



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Inside: allows work organization to be free from complex bureaucratic controls, pushing shareholders, partners and the employees to take decisions and implement them without resorting to the exercise of authority, but rather by promoting and encouraging the desire of the individual to achieve the objectives of the common goals.

Outside: through transparency the Code promotes attractiveness for investors through professionalism and confidentiality, assists, customer loyalty, recalls the correctness of the best human resources, ensuring the fairness of the authority and the continuity of the relationship, reliability towards its creditors while ensuring the serenity of suppliers.

The monitoring of the Code of Ethics' implementation may be, therefore, a good reference point for "measuring" both the good reputation of CCS SPA and the correctness of the relationship held with stakeholders.

Therefore, instead of being a theoretical tool for "good behaviour", CCS SPA wants to make sure that the Code of Ethics has a practical application, an objective feedback with reality, and therefore the possibility to be verified. With this purpose the Code is built in different levels of depth:

- by **general principles** governing relations with stakeholders, which abstractly define the reference values in the activities of CCS SPA;
- by **standards of conduct** towards each class of stakeholder, which generate the specific guidelines and the rules that CCS SPA partners must adhere to in respect of the general principles and to avoid unethical behaviour;
- by **implementation mechanisms**, which describe the control system for compliance with the Code of Ethics and its continuous improvement.

Finally this code, is based on an ideal of cooperation in view of mutual benefits for the involved parties; CCS SPA hopes, therefore, that each stakeholder will act according to principles and rules based on a similar ethical conduct.

It is important to emphasize that, since the activity of CCS SPA extends beyond the borders of Italy, it will be necessary and appropriate that the relationship between CCS SPA and its stakeholders are always conducted with respect for the Code of Ethics, regardless of whether the assumed stakeholder is belonging to the above-mentioned territory or to another, always



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keeping in mind the diversity of cultural, social and economic conditions of the various regions in which it operates.

The ultimate goal of CCS SPA will be to act in accordance with their own and others' beliefs looking, from time to time, for the most appropriate way to achieve its objectives within the law and without any prevarication.



General principles

The general principles highlighted below are a result of the fundamental values of CCS SPA in the conduct of the business and are the main guidelines in relations with stakeholders.

CCS SPA intends to characterize its behaviour and influence its choices with principles strongly shared by the entire organization and all resources. Therefore below are the strongly held values that support CCS SPA's ordinary and extraordinary choices.

a) Neutrality

In the decisions that affect relations with its stakeholders (customers choice, personnel management or work organization, selection and management of suppliers, relations with the surrounding community and the representing institutions), CCS SPA avoids any discrimination based on age, sex, sexual orientation, state of health, ethnicity, nationality, political opinions and religious beliefs.

b) Honesty

As part of their professional activities, CCS SPA employees are required to diligently comply with applicable laws, the Code of Ethics and internal regulations. [In no case the pursuit of CCS SPA interest can justify dishonest conduct.]

c) Fairness

In conducting any activity, situations should always be avoided where the parties involved in the transactions are, or may even appear to be, in a conflict of interest. This refers to both the case in which a shareholder / director or partner pursues an interest different than the company's mission, the balance of stakeholder's interests, or takes "personal" advantage of business opportunities, and the case where the representatives of customers or suppliers, or public institutions act in conflict with the fiduciary duties associated with their position in their relations with CCS SPA.

d) Confidentiality

CCS SPA guarantees the confidentiality of information in its possession and refrains from seeking confidential information, except in cases of express and informed consent, and compliance with existing laws. Every employee daily enters in to contact with business know-how and with sensitive and vital information for the Company: such as the names of the Customers or the other profiles that might affect the corporate image and brand. It follows that the same employees must scrupulously and diligently follow the obligation of confidentiality, as the spread of even only one of these pieces of information could damage the activity or the image of CCS SPA. In addition, employees of CCS SPA shall not use confidential information for purposes not related to the exercise of their duties.



e) Transparency

The employees of CCS SPA are required to provide complete, clear, comprehensible and accurate information, so that when establishing relationships with CCS SPA, stakeholders are able to take independent decisions having been made aware of the interests involved, the alternatives and any significant consequences. In particular, in the formulation of possible contracts, CCS SPA takes care to specify to the contractor, in a clear and understandable way, how to behave in all envisaged circumstances.

f) Quality of service

Since the beginning of its activity CCS SPA has chosen to structure its organization according to the markets that CCS SPA has decided to serve. This has encouraged the adoption of procedures and corporate behaviours in line with customer requests.

The structure, therefore, enhances all the efforts that are being made to ensure the highest quality of services, thanks to dedicated resources and means for each business line.

CCS SPA directs its activities to the satisfaction and the protection of its customers, by listening to the demands that can lead to an improvement in the quality of products and services.

g) Fair Competition

CCS SPA intends to protect the value of fair competition by refraining from collusive behaviour, predatory behaviours and abuse of dominant position.

h) Appreciation of suppliers

CCS SPA pay serious attention to the enhancement of human resources, both internal and external. In this role suppliers play an absolutely innovative role, meaning a strong partnership well integrated with the system of Company values.

CCS SPA intends to gradually build a corporate identity that can be strongly attractive and inclusive, in order to create a *community*, formed by CCS SPA, customers and suppliers. These, then, are for CCS SPA an integral and vital part of this system.

i) Equitable authority

In the subscription and management of contractual relationships that involve the establishment of hierarchical relations, especially with partners, CCS SPA is committed to making sure that authority is correctly and fairly exercised avoiding any abuse.

In particular, CCS SPA guarantees that the authority does not turn into an exercise of a power detrimental to dignity and autonomy of the partner, and that the choices of work organization safeguard the value of partners.

The style of leadership, besides being managerial, is in any case inspired by the recognition of the authority of the decisions and choices, in order to contribute to the mitigation of potential



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conflicts. Being authoritative also contributes decisively to build consensus around the decisions that are taken and generates shared objectives.

j) The centrality of human resources

The employees of CCS SPA are an essential factor for its success. For this reason, CCS SPA protects and promotes the value of human resources in order to improve and increase the personal and professional skills possessed by each employee, so that the energy and creativity of the individual finds full expression in the fulfilment of their potential.

For CCS SPA people are an essential element for the existence of the enterprise. The value of people and their professionalism are conditions for achieving business goals.

CCS SPA therefore intends to establish a company climate and a leadership style that puts human resources in conditions to implement actions which determine the success of CCS SPA.

CCS SPA guarantees the physical and moral integrity of its employees and working conditions which respect individual dignity and a safe and healthy workplace.

For this reason any request or threat aiming to induce people to act against the law and the Code of Ethics or to adopt conduct which infringes beliefs and moral and personal preferences of each one, is not tolerated.

k) Responsibility towards community and the territory

CCS SPA is aware of the influence, even indirectly, that its activities may have on the conditions, social and economic development and general welfare of the community, as well as the importance of social acceptance by the community in which it operates.

In fact, all policies are aimed at maximizing the economic impact in the territory in which it operates, using where possible local craftsmen and suppliers appropriately selected also on a national basis.

- Protection of copyright

CELLULOSE CONVERTING SOLUTIONS pursues the objective of compliance with the rules of intellectual property and plagiarism, in particular the protection of copyright legislation.

- Keeping accounting records

CELLULOSE CONVERTING SOLUTIONS requires full compliance with the laws and regulations in force on the accuracy and completeness of the books and the accounting documentation. It's not allowed to set up hidden or not registered funds for any purpose. An internal accounting control system must be held. It guarantees that transaction records will allow the production of financial statements in accordance with accounting principles and will give a statement of all assets of the Company.



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- Money Laundering

Conducts that allow or facilitate the handling, recycling, self-laundering or use of money, goods or benefits of illegal activity or financing of terrorism or subversion of democratic order provenance should not bring about.

- Environment

CELLULOSE CONVERTING SOLUTIONS aims to respect and ensure respect for the environment. Having established that the "quality of the environment" is now considered a peculiar feature of the "quality of life", it is an essential condition of the company's economic development: it follows that the activities of the productive system of CELLULOSE CONVERTING SOLUTIONS as a whole should take place in accordance with the law and it does not compromise the biophysical balance, ecosystems, biodiversity, animal species, plants or natural protected or subjected to constraints areas and, at the same time, should enable sustainable economic development.

p) Prevention of Corruption

CELLULOSE CONVERTING SOLUTIONS, in carrying out its functions, operates in strict compliance with prevention and obstructing of corruption regulations.

Each Collaborator is called to promote integrity, legality and transparency with his behaviour and his work. He is also called to give data and / or information within its competence to Supervisory Board.

Anyone who becomes aware of unlawful conduct must provide timely reporting to their superior or to the Supervisory Board.



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Code of Ethics' beneficiary

The Recipients of this Code of Ethics are:

- The partners;
- Directors;
- Auditors;
- Employees;
- Collaborators;

- All those who directly or indirectly enter into relationships with CELLULOSE CONVERTING SOLUTIONS.

CELLULOSE CONVERTING SOLUTIONS promotes the dissemination of the Code of Ethics so that all Recipients must adapt and conform their behaviour to what is contained in it.

All Recipients will be required to observe and, for matters within its competence, to ensure compliance with the principles of the Code of Ethics.

In particular, compliance with the rules of the Code must be considered an essential part of the contractual obligations of CELLULOSE CONVERTING SOLUTIONS employees, pursuant to and by effect of articles 2104 and following of the Civil Code.

Any breach of the principles and rules of conduct set out in this Code of Ethics affect the relationship of trust with CELLULOSE CONVERTING SOLUTIONS. The society will promote the most appropriate disciplinary action and the request for damages, without prejudice, for employees, the compliance with the procedures set out in Article. 7 of the law 20 May 1970 n. 300 (so called Workers' Statute), with the collective labour agreements applicable and with all the Company's internal rules adopted by CELLULOSE CONVERTING SOLUTIONS.



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○ **Standards of conduct in relations with shareholders**

CCS SPA adopts a system of governance that is compliant with the provisions of Italian law and is oriented to:

- the maximization of the private property value
- the balance of the interests held by corporate components
- the quality of service to customers
- the respect and esteem of suppliers
- the respect and promotion of human resources
- the control of business risks
- the transparency towards the market

The management of CCS SPA, the auditors, and where appropriate employees and external partners are required to observe towards Shareholders and creditors of CCS SPA:

- a) true and fair information of the economic situation and financial position;
- b) fair, transparent and collaborative behaviour, in compliance with the law and internal procedures, with particular attention to all procedures that, at the end of the year, allow the formation of financial statements or of any intermediate report;
- c) behaviour aimed at verifying the adequacy and fairness of the procedures put in place to protect the actual existence of the stated share capital, especially when extraordinary transactions are carried out or profits/reserves are distributed or it is being decided to dispose of part of the assets or dismiss it all thus to ensure equality of creditors and any issued guarantees;
- d) conduct which, in the autonomy of their management decisions, is characterized by the proportionality of the actions taken regarding to economic and financial capacity;
- e) behaviour directed at preventing any fraudulent activity or unfair competition;
- f) conduct of full cooperation with all the control authorities provided by law;



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- g) behaviour that allows tracking of every economic transaction of the Company and, in particular, any transfer of money or other benefits in order to eliminate forms of recycling;
- h) any operation with economic, financial or patrimonial relevance shall be duly recorded, and for each record, there must be adequate supporting documentation and archive so that, at any time, in case of any control to the operation can be verified, motivated and documented.

– Shareholders' Meeting

The General Assembly is the prime time for the establishment of a profitable dialogue between members.

To this end :

- is ensured the regular attendance of directors at meetings;
- will be adopted a specific regulation aimed at ensuring the orderly and efficient conduct of meetings, while respecting the fundamental right of each shareholder to request clarification on the various topics under discussion, to express their opinions and make suggestions;
- is guaranteed that all assets and information are available in advance for consultancy by the shareholders.

The following are reserved to the competence of members:

- the appointment of directors
- the determination of the remuneration of the directors and auditors
- amendment of the memorandum and articles of association
- the decision to carry out operations which involve changes to the object of the Company
- the dissolution of the Company
- exclusion of a shareholder
- the approval of the financial statement and the distribution of profits



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– BoD

The Board of Directors is vested with the broadest powers for the ordinary and extraordinary management of the Company and is empowered to take all actions that it deems necessary for the achievement of the company.

Therefore the Board of Directors:

- grants and revokes the powers of Chief Executive Officer (CEO) defining the limits and conditions of exercise;
- receives information from the CEO and the other executive functions on overall performance and the outlook of the most significant transactions;
- examines and proposes to the General Meeting the strategic, industrial and financial plans;
- elects among its members a Chairman and, if necessary, a Vice President, unless the shareholders have not already done so at the time of the appointment of the Board.

– Non-executive and independent Directors

The Board of Directors also consists of non-executive members (who are not delegated operational and / or management functions in the Company), such as to ensure, by number and authority, that their judgment may have a significant impact on board decisions.

Non-executive directors bring their specific expertise to board discussions, with the aim of facilitating the examination of topics in discussion from different perspectives, for the consequent adoption of resolutions meditate, that are in line with the corporate interest.

The directors are required to:

- pay an active role in their appointment, allowing the Company to benefit from their expertise;
- participate in a continuous manner in the meetings of the Board;
- report any situation in which they hold an interest, or on behalf of third parties, which involves them, abstaining in such situations from participating in the decision-making of the Board;
- maintain the confidentiality of documents and information acquired in the performance of their duties and to comply with the procedure for its disclosure;



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- always give precedence to the interest of CCS SPA over the particular individual members.



- **Standards of conduct in relations with partners, including the principles related to the protection of health and safety at work**

- Selection of staff

The evaluation of the personnel to be hired is decided on the correspondence between the profiles of the candidates, moral and professional, and the business needs, in respect of equal opportunities.

The requested information is directed to the verification of the defining aspects of the specific professional and aptitude profile sought, in respect of the private sphere and opinions of the candidate.

Each senior management position who is interested in or is taking part in the employment process shall, within the limits of available information, adopt appropriate measures to avoid favouritism, nepotism or cronyism in the selection and employment (for example, preventing the selector is bound by ties of kinship with the candidate).

- Establishment of employment

All staff are employed with a regular employment contract and no form of illegal labour is tolerated. At the moment of the establishment of the relationship, each employee receives accurate information regarding:

- Characteristics of the function and duties to perform
- Regulations and wage, as regulated by the national collective labour
- Rules and procedures to be adopted in order to avoid the possible risks for health associated with work
- the training course, directed to enhance the Person and the job position

This information is explained to the employee in such a way that the acceptance of the assignment is based on a real understanding of the terms of employment.

- Management of staff

CCS SPA avoids any form of discrimination against its employees.

During the processes of management and staff development, as well as in the selection phase, the decisions taken are based on the correspondence between expected and actual profiles of



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the employees and / or on considerations of merit (in example, award of incentives based on results achieved).

Access to roles and positions is also established in consideration of skills and capabilities; moreover, consistent with the overall efficiency, the flexibility in work organization that facilitates the management of maternity and in general child care is favoured.

The managers use and fully exploit all the professionals in the structure by the activation of the available channels in order to facilitate the development and growth

To do this, the communication by managers is particularly important in respect of the strengths and weaknesses of the employee, so that the latter will aim to improve its skills through targeted training.

CCS SPA offers all employees information and training tools, with the aim to preserve and enhance the specific skills of the personnel.

Each manager is required to optimize the working time of employees requesting services consistent with the exercise of their duties and with the plans of work organization.

It is an abuse of authority to require, as a necessary act to their superior, performance, personal favours or any conduct that constitutes a violation of this Code of Ethics

It secured the involvement of staff in carrying out the work, also providing participation in discussions and decisions aimed at the achievement of personal and company goals.

The employee must take part in such discussions with a spirit of cooperation and independence of judgment.

Listening to the various points of view, consistent with business needs, enables the managers to make the final decisions; the employee must, however, always contribute to the implementation of the established activities.

- Health and safety

The aim of CCS SPA is to protect its human resources and financial items, constantly seeking the synergies needed not only within the company but also with the other suppliers, companies and customers involved in its activities.



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CCS SPA is committed to promote and consolidate a culture of safety, promoting risk awareness and promoting responsible behaviour by all employees; also works to preserve, especially with preventive actions, the health and safety of workers, and the interests of the stakeholders.

CCS SPA is committed to minimizing the risk of accidents and occupational diseases related to business activities, starting from the most serious one. This is one fundamental purpose of CCS SPA, which can never be neglected.

In detail, CCS SPA, starting from the property and by senior management, is committed to:

- a) plan and conduct the business with the purpose of ensuring the safety, reducing and preventing accidents, injuries and occupational diseases
- b) assess the occupational risks for each job, task, location, rural plant, etc. and define the necessary preventive measures to protect anyone who might be at risk and the environment; also perform this activity before making decisions about business changes of any kind and before accepting new orders;
- c) consider the safety aspects for subcontractors and for any work entrusted to others, and to ensure, as far as is in his power, that they are managed in order to ensure security for its own staff, others, for only third party and the environment;
- d) determine the functions, competences, powers and responsibilities to verify, evaluate, manage and control risks, and to ensure compliance of the provisions, so that the entire corporate structure is involved, according to their role and conduct of its daily activities allow the achievement of safety targets;
- e) ensure that in CCS SPA looks forward quickly and effectively to any new security requirements that arise during work activities and is prevented from performing tasks not submitted in advance to the Risk Assessment;
- f) require compliance with all applicable laws and company regulations on safety;
- g) inform, educate, and, if necessary, train all personnel, initially and periodically, starting with the managers, to enable it to carry out their tasks safely and to assume its responsibilities in the field of occupational safety, with specific reference to the task being performed;
- h) raise employee awareness about security issues, engage them, consult and inform them of developments in corporate security, including through regular meetings and regularly contacting their Safety Representative;



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- i) give itself at least annual goals for safety, and to check them frequently, to continuously improve prevention;
 - j) allocate sufficient staff and resources to implement the above points,
 - k) each employee and partner is required to comply with the company's regulations on health and safety at work and cooperate to reduce occupational hazards,
 - l) any employee and partner is required to interrupt his work, announcing it as soon as possible to his superior and to the RLS, when it is done in such a way as expected with serious risks to health and safety, if the break does not introduce greater risks.
- Privacy Policy

The privacy of the employees is protected by adopting standards that specify the information that the company requires and the methods of treatment and storage.

Any investigation concerning ideas, preferences personal tastes and, in general, the private lives of employees are ruled out. These standards also prohibit, except in the cases provided by law, the disclosure / dissemination of personal information without the consent of the person concerned and establish rules for the control, by each partner, of the rules for the protection of privacy.

- Duties of employees

The employee must act fairly, ensuring the required performance and in compliance with the obligations undertaken in the employment contract and the provisions of the Code of Ethics; it is required to report through the appropriate channels any violation of the rules of conduct established by internal procedures.

The employee must implement and be aware of the company policies regarding information security to ensure data integrity, confidentiality and availability. He is required to produce his documents using clear, objective and exhaustive language, allowing any checks from colleagues, managers or external parties authorized to do so.

All CCS SPA employees must avoid situations in which may rise conflicts of interest and not to take advantage of business opportunities known during the course of their duties.

Each employee is required to work diligently to protect corporate assets through responsible behaviour and in line with the operating procedures to regulate their use, and accurately document their use.



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Each employee is responsible for protecting the resources entrusted to him and has the duty to promptly inform the Management of any threats or harmful events for CCS SPA.

With regard to applications, each employee is required:

- To comply scrupulously with the provisions of the corporate security policies, in order not to compromise the functionality and security of information systems;
- Do not send e-mail messages that are threatening or insulting, that have low-level language or inappropriate comments that might offend the person and / or damage the corporate image;
- Not to surf on Internet sites that are not closely related to the business and specifically to the task carried out in each case to refrain from visiting websites that present in them indecent and offensive contents to common sense of decency, and to carry out any operation in violation of laws and regulations.

- Conflict of interest

The staff shall avoid all situations and all activities in which a conflict with the interests of CELLULOSE CONVERTING SOLUTIONS can actually manifest or that may interfere with the ability to make impartially decisions, in the best interests and in full compliance with the Code of Ethics.

The staff must also refrain from taking personal advantage from disposals of corporate assets or business opportunities that may have come to their attention during the performance of their functions.

By way of example, and without limitation, the following situations determine conflicts of interest:

- Using their position or acquired information in their work so as to create a conflict between their personal interests and the interests of CELLULOSE CONVERTING SOLUTIONS;
- Carry out work activities of any kind among customers, suppliers, competitors, government agencies, entities or public interest organizations;
- Accept or offer money, favours or benefits from people or companies that have or intend to have business relations with CELLULOSE CONVERTING SOLUTIONS;
- Hold public office in agencies that may have relationships with CELLULOSE CONVERTING SOLUTIONS, so as to create conditions for a potential conflict of interest.



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Personnel with top functions, called to make decisions in business when there is clear conflict between personal interests and those of the company must:

- Communicate the existence and characteristics of such a conflict to the Supervisory Board and to their superior;
- Refrain from exercising its decision-making role and delegate this role to other officers;
- In the event that the above mentioned abstention is not possible, however, to involve others in the decision-making process in order to give greater transparency to the process itself.

In order to prevent and properly handle situations of conflict of interest, even potentially harmful, CELLULOSE CONVERTING SOLUTIONS could require its directors, employees and collaborators to sign a statement that excludes the presence of conflicts of interest between the individual and CELLULOSE CONVERTING SOLUTIONS, or, in case of existence of such conditions, to establish its nature at the time of assignment of positions or commencement of an employment relationship.

- Safeguarding of assets

The staff is committed to preserving the properties, facilities and the Company's equipment and use it responsibly. It is also forbidden the staff to use equipment, materials and / or supplies belonging to CELLULOSE CONVERTING SOLUTIONS for personal gain.



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○ **Standards of conduct in relations with customers**

CCS SPA pursues its business success in markets by offering quality services at competitive prices, in compliance with all the rules protecting fair competition.

CCS SPA acknowledges that the esteem of those requesting services is of primary importance for its business success.

- Style of partners' behaviour

The behaviour of CCS SPA toward customers is based on availability, the highest professionalism, respect and courtesy, in a collaborative, long-lasting and highly professional relationship.

- Level of customer satisfaction
 - CCS SPA is committed to ensuring adequate standards of quality of the services offered on the basis of predefined levels and to periodically monitor the quality perceived by the customer,
 - CCS SPA undertakes to comply with the contractual terms agreed with the customer in a timely manner, in order to achieve full mutual satisfaction,
 - CCS SPA is committed to constantly monitor the quality of services offered by external partners and suppliers.
 - CELLULOSE CONVERTING SOLUTIONS is able to ensure high standards of customer satisfaction thanks to the implemented procedures as part of the Integrated Management System ISO 9001 and Safety OHSAS 18001.



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○ **Standards of conduct in relations with suppliers**

CCS SPA considers suppliers a vital element for the growth and development of the entire organization. For this reason, CCS SPA integrates suppliers within the human capital of CCS SPA and intends to pursue a policy of continuous improvement of quality of services offered by selected partners, contributing to the raising of their ethical standards, and promoting, even with their own resources, the growth of professional skills

- Selection of suppliers

Procurement processes are characterized by the search for maximum competitive advantage for CCS SPA and the granting of equal opportunities for all suppliers; however the search for maximum competitive advantage must guarantee the satisfaction of the supplier, in order to avoid the abuse of a position of strength such as to weaken the supplier from the economic point of view. Procurement processes are also based on pre-contractual and contractual conducts held in a such way as to ensure an indispensable and mutual loyalty, transparency and collaboration.

In particular, employees of CCS SPA assigned to these processes are required:

- to not preclude that anybody who has the requested requirements for the opportunity to compete for a contract, adopting objective and documented criteria in the selection of those shortlisted;
- to ensure sufficient competition in every tender.

CCS SPA also has a list of suppliers whose qualification criteria constitute a barrier to access. For CCS SPA the reference requirements are:

- appropriately documented availability of resources, including financial, organizational structures, capabilities and resources, know-how, etc.;
- the existence and effective implementation of adequate quality systems, in cases where the specifications of CCS SPA deems it necessary.

CCS SPA aims for enlargement of the supplier base, operating in view of the fulfillment of the criteria for access by the largest possible number of suppliers.

- Integrity and independence of the relationships

Within CCS SPA relations with suppliers are governed by common principles and are subject to constant monitoring by CCS SPA.



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The signing of a contract with a supplier must always be based on extreme clarity and transparency and avoid all forms of commercial dependence.



- **Standards of conduct in relations with the Community, including the principles afferent to the enforcement of environmental legislation**

Relations with the Community mainly concern three areas:

- Environmental Policy

The employees of CCS SPA, within their job, take part in the process of risk prevention, environmental protection and protection of health and safety of themselves, their colleagues and third parties.

Environmental crimes appear due to alleged danger, sufficing for their configurability failure to comply with the laws, not being a necessary element the effective achievement of environmental damage.

The crimes set out in Article 25 of the Decree, with few exceptions, have a contravention nature and they are characterized, in terms of subjective, both by malice and gross negligence.

For any case of administrative offence a pecuniary fine is applied, which changes in proportion to the gravity of the offences and is quantified with the quota system (Article 11 of the Legislative Decree).

For some crimes, in addition to pecuniary fines, there are disqualifying penalties (Article 9, paragraph 2 of the Legislative Decree). Among these hypotheses the crime of illegal dumping and the discharge of industrial wastewater containing hazardous substances are included.

In order to prevent the risk of commission of the offences and the direct responsibility of CCS SPA, it is necessary to adopt safeguards to allow adequate monitoring of environmental risk and therefore a coordinated system of procedures for the management and allocation of tasks and responsibilities.

The Subjects of the Model 231/ 01 which contribute in various ways and with different responsibilities in the management of the processes listed above must:

- Comply with the provisions of the Code of Conduct;
- Comply with the provisions of laws and regulations;
- To operate within the powers of representation and signature, the proxies and the powers of attorney empowered;
- Comply with the provisions established by the reference procedures;



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- Comply with the instructions given by superiors;
- Report to the O.D.V. any actions taken in violation of the provisions of the Model pursuant to Legislative Decree 231/ 01.
- o Relations with interest groups

CCS SPA believes that dialogue with associations is of strategic importance for the proper development of its business; therefore establishes a stable channel of communication with the associations representing stakeholders in order to cooperate in accordance with their mutual interests, to present their positions and prevent possible conflicts.

- o Relations with political parties, movements, committees and political organizations and trade unions

Each report of CCS SPA with the parties, committees and political organizations and trade unions must be based on transparency and maintained exclusively by the corporate functions formally delegated.

Outside of institutional activity, the granting of any benefit or contribution, direct or indirect, to officials or candidates is prohibited.

- o Relations with the media

Relations with the media can be entertained only in order to disseminate the projects and achievements of CCS SPA as well as to disseminate the qualifying aspects of politics and finally to safeguard the image of CCS SPA.

Each interview or communication shall be issued by the corporate functions formally delegate for this purpose.

- o Contributions and sponsorships

Sponsorship activities, which may relate to social environment, sports, entertainment and arts issues, are intended only for events that offer a guarantee of quality and for which CCS SPA can collaborate in the design, so to guarantee originality and effectiveness.

In any case, in the selection of proposals to be accepted, CCS SPA pays particular attention to any possible conflict of interest of a personal or business nature.



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CCS SPA is also engaged in outside donations, so as to contribute directly to the support of social causes of a different nature and relevance.



- **Rules of conduct with the Public Administration**
- Institutional relationships

The relationships with the Public Administration (PA), with the other institutions and the supervisory authorities must be based on the principle of transparency. CCS SPA is committed to maintain relations with these subjects exclusively with the management and staff formally delegate for this purpose.

The Company agrees to establish and disseminate a comprehensive system of powers that allow to identify the corporate organizational chart Subjects who are authorized to represent CCS SPA.

The management, staff, employees and any other person acting on behalf of CCS SPA mandatorily must refrain from defending the market position of the Company or engage in behaviour that could lead to get these benefits or contracts of any kind by promising gifts of money or other benefits. At every level CCS SPA is committed to affirm the prohibition for each employee or partner to not intervene in the sphere of public authority or in the political area and maintain at all times an independent behaviour

The Company undertakes that the above is not circumvented surreptitiously through gifts, courtesies, consultancy, aid of any kind of sponsorship, advertising or personal tasks.

The Board of Directors and employees are prohibited from accepting or requesting sums of money of any kind, forms of hospitality or gratuity for the performance of acts contrary to their office.

In particular, it is forbidden to promise or grant disbursements or show favouritism in the recruitment of personnel, the selection of suppliers of goods and services or in the communication of information or documents. It is also forbidden to produce documents or false data or to alter information or omit information so that grants or loans, grants made by the State or other agencies or by the European Union are made. If loans, grants or contributions are made it is not permitted to use such for purposes other than for which they were granted. It is forbidden to access any information in the public administration system in an unauthorised manner in order to obtain or alter information for the benefit of the Company

CCS SPA is also committed to :

- Establish, without any kind of discrimination, stable channels of communication with all institutional stakeholders at local, regional and national levels;



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- Represent the interests and positions of the Company in a transparent, rigorous and consistent manner, avoiding collusive behaviour.



○ **Standards of conduct in relations with the judiciary**

The aim of this part is to make sure that the subjects of the Model, whether involved in activities in areas at risk, comply with the code of conduct in accordance with the requirements of the regulatory system and sanctions, in order to prevent and encumber the occurrence of crimes.

The reports with public officials, with the judiciary, with the public supervisory authorities and other independent authorities related to the Company must be undertaken and managed in full compliance with applicable laws and with the principles stated in the Code and internal protocols, so as not to compromise the integrity and reputation of the parties involved.

The penalty applicable to the Company is of a pecuniary nature for the crime under Article 377 bis c.p.

This Protocol identifies and adjusts the operating procedures to be followed in cases where the Recipients, covering the quality of defendants or co-defendants in proceedings connected or connected, are called upon to make statements before the Judicial Authority.

The subjects who, as defendants or co-defendants in proceedings connected or connected, are called upon to make statements on the Judicial Authority must:

- Ensure that statements are carried out in full compliance with laws, regulations and principles of honesty and fairness;
- Ensure that the statements made contain only true information.

The subjects identified in the Special Part are forbidden from:

- Entertaining, if this is possible, relationships inherent with their professional activities with public officials without ensuring the traceability of meetings or conversations occurring;
- Exert pressure of any kind (violence, threats, offensive or promises of money or other benefits), on the subject called to make statements before the Judicial Authority, in order to induce him not to make statements or to make false statements;
- Take any conduct which has the purpose, or even only the effect of impeding the exercise of the functions of the Judiciary;
- Take any conduct which has the purpose, or even the effect of helping someone to circumvent or evade the investigations of the Judicial searches.



○ **Standards of conduct in the use of computer and telecommunications systems**

The law of 18 March 2008, n. 48 has included the Article 24–bis into the Legislative Decree, which provides for new forms of administrative liability in the event of crimes committed through the Internet or other computer networks and extends the scope of computer crime including all crimes committed in any way by means of a computer system, even if where the evidence of the crime is in electronic form and also in cases where the taxable person is not a public administration.

Following the introduction of computer crimes, the Company must conform their behavior and organization in order to:

- Ensure the protection of information assets;
- Ensure the correct use of technological resources;
- Have evidence that the effectiveness of the implemented controls is efficacious.

Preventive and suitable security and controls measures have to be prepared to prevent potential crimes with the help of technological tools.

In the absence of a legislative definition the Jurisprudence has tried to provide a general definition of "computer system". The definition is basically applied to all the incriminating circumstances that refers to it, and by virtue of which must be deemed such any equipment, more or less complex, "designed to perform any useful function to humans through the use, even partial, of computer technology." These are characterized by the presence of three functional aspects: a) the recording or storage, "by means of electronic pulses and on adequate supports, of data represented by the symbols (bits) (numeric code) in different combinations"; b) "automatic processing" by the machine data so recorded or stored; c) the organization of such data "in a way which allows them to express a particular meaning for user" (utility).

It is a definition centered on the transition from "element" to the "information"; in the sense that the function of recording - electronic storage of data to which "elementary representations of a fact" is accompanied by the complementary function of processing - logical organization of these data sets more or less extended constites "information".



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Many computer systems connected stably between them in order to allow the transmission – the communication in the distance of collected information constitute a "telematics system".

In this case the element that allows to recognize a system "telematics" in place of a mere device for remote transmission of signals is given by the fact that to be connected to each other are two or more systems "computer": typical is the case of e-mail systems or connections via remote terminals.



4. Method of Implementation

To enforce the Code of Ethics, the Board of Directors appoints and dismisses the Supervisory Board for the internal control, identifying the community in which CCS SPA operates subjects with ethical and professional characteristics that can guarantee quality, independence and authority in decision-making.

- Duties of the Supervisory Internal Control

With regard to the Code of Ethics compete to the Supervisory Board for the internal control the following tasks:

- Take decisions in respect of infringements of the Code of significance reported by the head of department;
- Expresses binding opinions on the revision of the relevant policies and procedures in order to ensure consistency with the Code of Ethics;
- Periodically review the Code of Ethics.

To this end, the Supervisory Board will assess:

- Communication plans and ethics training;
 - The work plan prepared by the department managers for compliance with the Code of Ethics.
- Communication and training

The Code of Ethics is brought to the attention of internal and external stakeholder through appropriate communication activities (for example, delivery to all employees of a copy of the Code, inclusion in the company website as well as on the corporate intranet inclusion of a notice of adoption of the Code in all contracts, etc. .).

In order to ensure the correct understanding of the Code of Ethics to all employees of CCS SPA, the function of the staff is to prepare and implement training activities to promote awareness of the principles and ethical standards.



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- Reporting of stakeholders

CCS SPA shall establish for each stakeholder communication channels in which to address their reports.

Alternatively, all the stakeholder of CCS SPA may report in writing any violation or suspected violation of the Code of Ethics to the Supervisory Board, which will analyze the report, possibly hearing the author and anyone responsible for the alleged violation.

The Supervisory Board acts to protect informants against any kind of retaliation as an act that could give rise, even the suspicion of being a form of discrimination or punishment (for example, for suppliers: interruption of the relations of business; for employees: failure to promote, etc.).

It is also ensured the secrecy of the informants' identity, unless legal obligation, where it is not necessary that this identity is made evident.