



CNG Fiber Trade Europe

CODE OF ETHICS

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1. INTRODUCTION

1.1 Foreword

CNG FIBER TRADE EUROPE S.R.L. (hereinafter “the Company”) adopts this Code of Ethics as a “Charter of Fundamental Rights and Duties” through which the company identifies and clarifies its responsibilities and ethical commitments to its internal and external stakeholders and as an integral part of the organizational model of management and control set out in Art. 6 of Legislative Decree No. 231/01 on the administrative responsibility of institutions (hereinafter “Model”).

The Code of Ethics commits the corporate bodies, management, employees, contractors, business partners, suppliers, carriers, customs agents and everyone entertaining relations with the Company.

The Code of Ethics is attributed with:

- a legitimization function: the code explains the company’s duties and responsibilities toward its stakeholders;
- a cognitive function: the Code, through its statement of abstract and general principles and rules of conduct, makes it possible to recognize non-ethical behaviour and to indicate the proper way of exercising the functions and powers attributed to each person;
- a preventive function: the codification of the relevant ethical principles and the basic rules of conduct to be followed by all stakeholders constitutes an express statement of the company's earnest and effective commitment to ensuring the legality of its business, with particular reference to the prevention of offences;
- an incentive function: the Code, by enforcing compliance with its principles and rules, contributes to the development of ethical awareness and strengthens the company's reputation and bona fide relationship with stakeholders. Similarly, the reputation of management and staff depends on adherence to the principles of the Code.

1.1.2 General principles – The Latest Confindustria Guidelines (2014)

In relation to the intentional crimes provided for in Legislative Decree No. 231/2001, the following principles apply:

- *The company is committed to complying with the laws and regulations in force in all the countries where it operates.*

Every employee of the company must be committed to complying with the laws and regulations in force in all the countries where the company operates.

This commitment must also apply to consultants, suppliers, customers and anyone having relations with the company. The latter shall not initiate or continue any relationship with those who do not intend to comply with this principle.

Employees must be aware of the laws and consequent conduct; if there is any doubt as to how to proceed, the company must properly inform its employees. The company shall have to ensure an adequate programme of training and ongoing awareness of issues relating to the code of ethics.



– Every operation and transaction must be properly recorded, authorized, verifiable, legitimate, consistent and appropriate.

All the company's actions and operations must be properly recorded and verification of the process of decision-making, authorization and conduct must be possible.

Adequate documentary support must be provided for each operation in order to enable checks to be carried out at all times to attest to the characteristics and reasons for the operation and to identify who authorized, carried out, recorded and verified the operation.

– It is necessary to establish basic principles with regard to relations with the company's contacts: Public Administration, public employees and, in the case of public service concessionaires, private sector businesses.

Bribery and corruption is defined as both improper payments/gifts made directly by the company or its employees and improper payments/gifts made through persons acting on behalf of the Company, both in Italy and abroad.

In general, it is not permitted to offer money or gifts to directors, officials or employees of the Public Administration or their relatives, whether Italian or of other nations, except for gifts or courtesies of a modest value.

It is prohibited to offer or accept any item, object or service of value to obtain more favourable treatment in relation to any relationship entertained with the Public Administration.

In those countries where it is customary to offer gifts to customers or others, it is possible to do so when these gifts are of an appropriate nature and of a modest value, but always in accordance with the laws. However, this must never be interpreted as seeking favours.

When any negotiation, request or relationship with the Public Administration is in progress, the designated personnel must not seek to improperly influence the decisions of the counterparty, including those of officials who handle or make decisions on behalf of the Public Administration.

In the specific case of tendering with the Public Administration, this has to be done in observance of the law and good business practice.

If the company uses a consultant or "third party" to be represented in its dealings with the Public Administration, it must be envisaged that the same guidelines apply to the consultant and their staff or to the "third party" as apply to the employees of the company.

Furthermore, the company must not be represented in its dealings with the Public Administration by a consultant or "third party" when conflicts of interest may arise.

In the course of a negotiation, request or business relationship with the Public Administration, the following actions shall not be taken (directly or indirectly):

- examine or propose employment and/or business opportunities that may benefit Public Administration employees in a personal capacity;
- offering or in any way giving gifts, including in the form of employee-only business promotions or through, for example, the payment of travel expenses;
- soliciting or obtaining confidential information that may compromise the integrity or reputation of both parties.

There may also be prohibitions for the company to employ former employees of the



Public Administration (or their relatives) who have personally and actively participated in the negotiation or relationship.

Any actual or potential infringement committed by persons within the company or by third parties should be promptly reported to the relevant internal functions and to the Supervisory Board.

The same rules as set out above for relations with the Public Administration also apply to relations with private individuals, belonging, for example, to competing companies, in order to prevent the risk of committing the crime of “bribery between private individuals” (article 2635 of the civil code) and incitement to bribery between private individuals (article 2635-bis of the civil code).

* * *

In relation to the unintentional crimes provided for by Legislative Decree No. 231/01, in article 25-septies, the fundamental principles and criteria on the basis of which decisions on health and safety at work are taken, of all types and at all levels, are identified as follows.

These principles and criteria, also in the light of article 15 of decree 81 of 2008, can be identified as follows:

- a) Eliminating risks and, where this is not possible, minimizing them in relation to knowledge acquired as a result of technological progress;
- b) Assessing risks that cannot be avoided;
- c) Reducing and combating risks at source;
- d) Respecting the principles of ergonomics and health at work: adapting the work to the people, in particular with regard to the design of workplaces and the choice of work equipment and working and production methods, in particular to mitigate monotonous and repetitive work and to reduce the effects of such work on health;
- e) Replacing what is dangerous with what is not dangerous or less dangerous;
- f) Planning the measures deemed appropriate to ensure the improvement of safety levels over time, also by adopting codes of conduct and good practice;
- g) Giving priority to collective protection measures over individual protection measures;
- h) Giving appropriate instructions to workers.

These principles are used by the enterprise to take the necessary measures for the protection of the safety and health of workers, including activities relating to the prevention of occupational risks, information and training, and setting up the necessary organization and resources.

In relation to activities with a potential environmental impact, the Code of Ethics clearly sets out the commitment of senior management to comply with environmental legislation and to implement preventive measures to avoid or at least minimize environmental impact.

The sharing of these values is also extended to persons outside the company, who are linked to the company by contractual relations, by means of specific contractual clauses.



1.1.3 General principles - Innovations in the Confindustria Guidelines (2021)

There are no substantial innovations in the Confindustria Guidelines updated in 2021 compared to the previous version, other than the suggestion for companies, in view of the increasing introduction of predicate offences, to consider introducing specific ethical principles for specific types of offences (e.g. employees and safety, human rights, the environment, corruption, etc.).

With regard to the disciplinary system, Law 179/17 states that the disciplinary system shall also envisage sanctions against those who breach the measures for the protection of the whistleblower and those who maliciously or intentionally make reports which prove to be unfounded (article 6, paragraph 2 bis of Decree 231, a provision which will be amended in 2023 to include the replacement of paragraph 2 bis by the following in the Draft Legislative Decree implementing EU Directive 1937/19 approved on 9/12/2022: “the models pursuant to paragraph 1, letter a) envisage internal reporting channels, the ban on retaliation and the disciplinary system adopted in compliance with paragraph 2 letter e) referred to in the Legislative Decree implementing EU Directive 1937/2019”, a regulation that will be applicable after four months from the entry into force of the implementing Legislative Decree (which will be formally approved by the Government in the weeks to come, may also contain amendments with respect to the Scheme and will enter into force 15 days after its publication in the Official Gazette), except for private sector organisations that have employed an average of not less than 50 and not more than 249 employees in the last year, for which the provisions will become effective from 17/12/2023.

1.2 Recipients

The rules of the Code of Ethics apply without exception to the corporate bodies, employees, contractors, business partners, suppliers, customs agents and to all those who have relations with the company, wherever they operate.

The Recipients of this Code are required to learn the content and comply with the precepts contained therein and that will be made available to them, as specified hereunder.

In addition to complying with the applicable laws and regulations in all countries where the company may operate, the company strictly adheres to the principles, objectives and rules of the Code. This commitment is required not only from staff, but also from external contractors, suppliers and all those who have relations with the company.

It is firstly the responsibility of the corporate bodies and management to implement the values and principles contained in the Code and to take on their internal and external responsibilities.

Indeed, the existence of written codes and conduct and the proof that staff have received and understood them does not ensure compliance with them: compliance with the rules of conduct is not inherent in the existence of codes, but rather ensured by the actions and examples of management. The role of the corporate bodies is therefore central and they are responsible for the practical implementation of the principles of the Code within the framework of their functions and responsibilities. In particular, Directors must be guided by the principles of the Code in proposing and implementing any decision that affects the company's capital, management and technological values and the well-being of its employees who, through their work, contribute to the success of



the company and the community.

The Company does not tolerate any violation of these principles, the fight against material and moral corruption that may undermine its integrity, and it puts in place organizational tools to prevent the violation of the principles set out in the Code, ensuring that they are followed and implemented in practice.

In fact, the contract staff and other third parties, in any relationship of fruitful cooperation with the Company, must observe the principles and provisions contained in this Code. To this effect, when entering into contracts or agreements with contract staff or other third parties, the Company shall provide them with this code of ethics or a meaningful excerpt of this code with clauses expressly formalizing its acceptance as well as determining, if not complied with, the automatic termination of the relationship.

1.3 The responsibility of CNG FIBER TRADE EUROPE S.R.L.

The company undertakes to:

- ensure the greatest circulation of the Code among staff and third parties;
- ensure that the Code is kept up to date as business needs and legislation change;
- ensure every possible means of knowledge and clarification on the interpretation and implementation of the rules contained in the Code;
- carry out checks on all reports of violation of the Code, assessing the facts and – if a violation is found – applying appropriate penalties.

1.4 Obligations of corporate organizational units/structures

Each company organizational function manager is required to:

- set an example for their staff members through their own actions;
- direct employees to comply with the Code;
- work to ensure that employees understand that compliance with the rules of the Code is an essential part of the quality of their services;
- carefully, within the scope of their responsibilities, select employees and contractors so as to prevent appointments getting assigned to persons who cannot be fully relied on in their commitment to comply with the rules of the Code;
- promptly implement appropriate corrective measures, when required by the situation;
- strive to verify the truthfulness of information directly obtained or provided by employees about possible cases of violation of the rules;
- prevent any type of retaliation.

1.5 Obligations for staff

All staff are required to be familiar with the rules contained in the Code and the internal and external rules of reference governing the work carried on in the area of the function concerned.

If there is any doubt as to how to proceed with carrying on the work, the Company will inform its Employees accordingly.

Staff are also obligated to:

- diligently observe the rules of the Code and refrain from any conduct contrary to it;
- contact their managers in the event of needing any clarification on the interpretation and implementation of the rules contained in the Code;



- promptly inform their managers of any information learned of possible violations of the Code and any requests received to violate the Code;
- offer the fullest cooperation to verify any possible violations.

1.6 Value of the Code with respect to third parties

With respect to third parties, all Company personnel, in relation to their assigned responsibilities, shall:

- provide adequate information on the commitments and obligations imposed by the Code;
- demand compliance with obligations directly relating to their work;
- implement appropriate internal and, where appropriate, external actions in the event of non-compliance by third parties with the obligation to comply with the rules of the Code. If, on the other hand, a **self-employed person, a supplier or any other person with contractual relations with the company** is responsible for a breach of the ethical rules, their contract may be terminated as a penalty. An essential tool for this purpose is the inclusion of express termination clauses (i.e., “**Clauses 231**”) in supply and work contracts (partnership, procurement, supply, assignment, etc.), that make explicit reference to compliance with the provisions of the code of ethics.

1.7 Contractual value of the Code of Ethics

The rules of the Code of Ethics form an integral part of the contractual obligations of staff within the meaning of article 2104 of the civil code (“Worker diligence”) and article 2105 of the civil code (“Loyalty obligation”).

The Company, in accordance with the applicable law, assesses disciplinary conduct contrary to the principles set forth in the Code and shall apply penalties that the severity of the events may justify.

- Art. 2104 of the civil code “... *The worker must adopt the diligence required by the nature of the work to be performed, the interests of the enterprise and the higher interest of national production. They must also comply with the provisions governing the performance and the rules of work as laid down by the entrepreneur and their staff to whom they report...*”.

- Art. 2105 of the civil code “... *The worker must not engage in business, on his own behalf or on behalf of third parties, in competition with the entrepreneur, disclose or use any information relating to the organization and production methods of the enterprise in such a way as to harm it ...*”.

In relation to their disciplinary value, the code of ethics and the procedures whose non-compliance is intended to be penalized are expressly included in the corporate disciplinary rules and in any case formally declared binding by means of an internal circular or a formal notice, and set out, as required by Art. 7, par. 1, l. No. 300/1970, “*by posting in a place accessible to all*”, explicitly highlighting the penalties linked to the various infringements.



2 GENERAL PRINCIPLES

2.1 Compliance with the provisions of the Law

The Company is committed to complying with the Laws and Regulations in force in all the Countries where it operates.

This commitment is also binding for Consultants, Suppliers, Customers and anyone having relations with the company. The latter shall neither initiate nor continue any relationship with Subjects who do not intend to comply with this principle.

In no case does the pursuit of the interests of the company justify and make acceptable any conduct contrary to the provisions of the Law.

The company ensures that appropriate information and ongoing awareness-raising activities are carried out on issues related to this Code, the Model and their application.

2.2 Honesty and integrity in relationships

The relations established by the Recipients with regard to their professional relationship with the Company, whether inside or outside the Company, must be governed by the Law and the individual personality of each person, in accordance with the Principles of the Code of Ethics and the devices of the Model.

The conduct of relations at every level and order must be transparent, proper, honest and fair. Relations, both internal and external, shall avoid any discrimination on the basis of age, sex, race, nationality, personal and social conditions, religious or political beliefs.

The company does not tolerate any violations of this principle and discourages corrupt practices in any way.

The company does not tolerate any illegal activities directed at institutions. The company does not accept any conduct that is in violation of the law.

2.3 Relations with the Public Administration and Institutions

In connection with any relationship with the Public Administration and Institutions, whether domestic or international, it is prohibited to offer and/or accept any item, object, service or sums of value or other benefits for the performance of acts contrary to or in conformity with one's office.

In countries where it is customary to offer gifts to Customers or other Subjects as a courtesy, such gifts must be of an appropriate nature and value, not in conflict with the provisions of the temporarily applicable Law there and not, under any circumstances, be construed as an exchange in the request for favours and/or preferential treatment. In any case, this type of expenditure must always be authorized by one's Manager and properly documented.

2.4 Managing and running operations

Every operation and business transaction of the company must be legitimate, authorized, properly recorded, coherent, appropriate, and verifiable. The company promotes and facilitates the adoption of all necessary tools to ensure that the actions and operations conducted in the Company's interest have an adequate and appropriate record, in order to make it possible to verify the process of decision-making,



authorization and conduct. The management and conduct of operations must be carried out in accordance with the criteria of fairness, economy, transparency, efficiency and effectiveness.

2.5 Conflict of interest

All staff in the performance of their duties must not take any decisions or carry out any activities which conflict with the interests of the company or which are incompatible with their official duties. The directors must also strictly adhere to this principle. Any situation contrary to this rule must be communicated immediately to one's Managers. In particular, members of company bodies, management, employees and contract staff of the company must avoid conflicts of interest between any personal and family economic activities and the duties they carry out within their structure.

2.6 Impartiality

When dealing with its stakeholders (e.g., tenders, litigation, etc.), the Company avoids discrimination on grounds of age, sex, sexuality, health, race or nationality, political opinions and religious beliefs, it does not take into account any recommendations or suggestions of external or internal origin and ensures impartiality and equity in observance of legal or contractual rules and the principles set forth in this Code of Ethics.

2.7 The obligation of confidentiality and protection of information

The company safeguards the confidentiality of the information and data in its possession by acting in accordance with applicable Laws and Regulations.

All staff of all levels and external contract staff shall respect this principle even after termination of employment.

The confidentiality obligation on any confidential information acquired also applies to subjects with whom the Company entertains contractual or other relationships, either by means of specific contractual clauses or by the signing of confidentiality agreements. The company takes appropriate steps to ensure that the internal management and external communication of information in any capacity takes place in accordance with applicable Laws and Regulations and in accordance with the principles of transparency and fairness.

Information to the general public must be clear, complete, truthful and not misleading, such as to enable its recipients to make informed decisions.

The company identifies and indicates the channels, forms and Managers for the actions of communication to and from third parties.

2.8 The protection of the company's assets

The Company encourages the prudent and diligent safeguarding and use of its assets, equipment and resources in observance of the criteria of fairness, economy, efficiency and effectiveness according to the pursuit of its objects.



2.9 Proper accounting and reliability of financial statements

The Company complies with the rules and principles for drafting the annual financial statements and budgets and accounting, in accordance with the applicable law (Italian civil code). The information, company data and accounting interactions of management events must ensure transparency, accuracy, veracity and completeness and give a true and fair view of the management activity and the assets and liabilities, economic and financial position of the company.

The company is committed to ensuring the greatest transparency and traceability of the transactions and cash flows in and out, concerning all types of operations. The company is committed to ensuring that any operation at risk (for example, in connection with the procurement process of goods and services) is preceded by appropriate identification, qualification and assessment of the other contracting party.

The company endeavours to ensure that the use of economic and financial resources is always duly authorized and accounted for, by the qualified or responsible subjects, in such a way as to provide adequate written evidence thereof.

The company undertakes to comply with the fiscal/tax laws (Legislative Decree No. 74/2000).

2.10 Behaviour at the workplace

The Company's personnel must comply with the legal requirements and business procedures in accordance with the rules set forth by law and their employment contract.

2.11 Individual responsibility

Everyone is responsible for the actions they perform in carrying on their work.

In addition, for those performing managerial functions, there is also the responsibility to oversee the activity carried on by personnel under their management and control.

2.12 Hygiene, safety and protection of the work environment

The Company is committed to increasing the incentive for management and employees to observe the vast legislative framework initiated by Law 626/94, Legislative Decree 272/99 until the approval and enactment of Legislative Decree No. 81/08 as amended (as well as the industry-specific regulations).

In order to achieve this, it has committed to ensuring that the methods of work are actually carried out safely, making sure that the culture of safety at work is widespread, developing risk awareness and encouraging responsible behaviour by all employees / contract staff.

The Company also takes all the necessary safety measures required by technological developments to ensure a safe and healthy work environment, in full compliance with the existing prevention and protection legislation.

Every employee/contract worker must contribute to the good management of Health and Safety and to the protection of the work environment, always acting in observance of the regulations in force, and must not subject other employees/contract staff to risks



that could harm their health or safety.

2.13 Privacy

The privacy of the staff member is safeguarded by adopting standards specifying the information that the enterprise requires of the staff member and the relevant methods of processing and storage.

The Company, in general, guarantees compliance with Legislative Decree No. 196/2003 (Personal Data Protection Code) and compliance with Legislative Decree No. 101 of 10 August 2018, with which Italian law implemented EU Regulation 2016/679. Any investigation into the staff member's ideas, preferences, personal tastes and personal life in general is precluded. These standards also provide for the prohibition, except where otherwise required by law, on disclosing personal data without the data subject's prior consent.

2.14 Responsibility in business

The company ensures that the conduct of business is governed by the principles of integrity and transparency.

In particular, all operations, negotiations, and generally conduct in business practice must be geared to the utmost fairness, excluding any corruption or favouritism, to the completeness and transparency of the information and legality, not just on a formal basis, on the basis of current regulations and internal procedures.

2.15 Development and safeguarding of professionalism

The company is committed to developing the skills and competence of its staff, pursuing a policy based on equal opportunities and merit, considering professionalism a guarantee for the whole community and a decisive condition for achieving its objectives.

Therefore, recruitment, selection, hiring and career development only respond to objective assessments of the quality of work, without any discrimination whatsoever.

2.16 The strategic value of human resources

Human Resources are considered to be of primary importance for the achievement of the Company's objectives by virtue of the professional contribution made in a relationship based on loyalty, fairness, mutual trust and full respect for Individual Personality.

The Company safeguards and promotes the value of Human Resources, encouraging their professional development, striving to avoid discrimination of all kinds and guaranteeing equal opportunities, as well as offering working conditions that respect individual dignity and safe and healthy work environments, in observance of current Regulations and Workers' rights.



The relationships between the different hierarchical levels (related to different levels of responsibility within the company) must be guided by the principles set out above.

The Company does not allow the conduct of non-contractual work relationships.

In the management of personnel (both internal and external), the Company ensures equal opportunities for all by ensuring fair treatment based on criteria of merit, without any discrimination whatsoever, in compliance with the national collective labour contract (CCNL). Staff are employed under a legal employment contract and no form of illegal work is tolerated. The company is also committed to protecting the moral integrity of its staff by preventing them from being subjected to unlawful conditioning or undue inconvenience. For this reason, it safeguards staff against acts of psychological violence and opposes any behaviour or attitude discriminating against or harming the person, their convictions and preferences.

Sexual harassment or intimidating and hostile attitudes are not permitted in internal or external employment relationships. The company is committed to ensuring compliance with all applicable smoking laws.

3 RULES OF CONDUCT

In implementing the General Principles set out above, the Company also promotes the following Rules of Conduct, while its business must always be geared to compliance with the law and the principle of good faith.

3.1 Rules of conduct in relations with suppliers

3.1.1 Supplier selection

The methods of selecting the supplier must be in accordance with the applicable regulations and the Company's internal procedures for that purpose.

The choice of the supplier and the purchase of goods and services of any kind must be carried out in accordance with the principles of competition and equal status of tender submitters and on the basis of objective assessments of the competitiveness, quality, professionalism, utility and price of the supply.

In making its selection, the Company adopts objective and transparent criteria as provided for in the applicable legislation, regulations and internal rules of reference and does not preclude any eligible supplier from competing.

3.1.2 Transparency

Relations with the Company's suppliers, including financial and advisory contracts, are governed by the rules of this Code of Ethics and are subject to constant and close monitoring by the Company, including in terms of the adequacy of the services or goods provided in relation to the agreed consideration.

The Company has appropriate procedures in place to ensure maximum transparency in the selection of the supplier and the purchase of goods and services.

There is an accurate system for filing the records of the entire selection and purchase procedure in such a way that each operation can be reconstructed.



3.1.3 Propriety and diligence in the performance of contracts

The Company applies best efforts to build a relationship of collaboration and mutual trust with the supplier/contractor.

The Company is committed to providing clear and timely information on business characteristics, forms and times of payment in accordance with applicable regulations.

3.1.4 Protection of the environment and ethical profiles

The Company is committed to promoting respect for the environment as part of its business activities and to ensuring that they are carried out in a manner consistent with ethical principles. To this end, the Company develops specific environmental protection procedures.

3.2 Rules of conduct of Employees and Contract Staff

The provisions set out in the following paragraphs are addressed to employees and extended to all directors, staff members, consultants and anyone who establishes a cooperative relationship with the Company in any capacity.

Employees and contract staff as described above must observe correct and transparent conduct in the performance of their duties, thereby contributing to the effectiveness of the internal audit system, safeguarding CNG FIBER TRADE EUROPE SRL.

In accordance with the law, employees and contract staff must behave in a helpful manner with shareholders, other corporate bodies and Supervisory Authorities.

3.2.1 Relations with the staff of the company CNG FIBER TRADE EUROPE SRL

CNG FIBER TRADE EUROPE SRL recognizes the value of human resources, respect for their autonomy and the importance of their participation in the business.

The management of the employment relationship, by pursuing an objective-based organization, is aimed at fostering the professional development and competence of each employee, also in relation to the application of instruments of incentivisation.

Racial discrimination and discrimination on the grounds of sex, nationality, religion, language, trade union or politics as well as any form of favouritism are prohibited in the recruitment, remuneration, promotion or dismissal.

3.2.2 Safety and health in the workplace

CNG FIBER TRADE EUROPE SRL is committed to safeguarding the moral and physical integrity of its employees, consultants and customers.

In order to encourage responsible and safe behaviour and take all the necessary safety measures required by technological developments to ensure a safe and healthy work environment, in full compliance with the existing prevention and protection legislation (Legislative Decree No. 81/08 as amended).



3.2.3 Protection of the individual

The Company is committed to ensuring that the conditions necessary for the existence of a collaborative and non-hostile work environment are met and to preventing discriminatory conduct of any kind.

Everyone must work together to maintain a climate of mutual respect for each other's dignity, honour and reputation.

Employees who believe they have been discriminated against may report the incident to their manager or to the Supervisory Board that will investigate the actual violation of the Code of Ethics.

Disparities which can be justified on the basis of objective criteria shall not constitute discrimination.

3.2.4 Personnel Selection

Without prejudice to the obligations arising from the provisions in force, the selection of staff is subject to verification that candidates are fully compliant with the professional profiles required by the Company, while respecting equal opportunities for all the persons concerned.

3.2.5 Hiring

Personnel are hired on the basis of legal employment contracts, since no form of employment relationship is permitted which does not comply with, or in any case circumvents, the legal provisions in force.

3.2.6 Duties of staff

Staff are committed to observe the obligations under this Code of Ethics and must comply with the law in the performance of their duties and conduct themselves in accordance with the principles of integrity, fairness, loyalty and good faith.

3.2.7 Further duties. Accounts and records

Those entrusted with the task of keeping the accounts are required to make all records accurately, fully, truthfully and transparently, and to permit any verification by the appointed subjects, including external entities (e.g. audit firms).

Accounting evidence must be based on accurate and verifiable information and must fully comply with internal accounting procedures.

Each entry must allow reconstructing the relevant operation and must be accompanied by appropriate documentation.

All actions relating to the business must have appropriate records to enable checks and controls to be carried out on the process of decision-making, authorization and conduct.

Any person who becomes aware of any omissions, errors or falsification must inform their manager and the Supervisory Board.



3.2.8 Conflict of interest

Employees must maintain a position of autonomy and integrity to avoid making decisions or performing work in situations where there is even only an apparent conflict of interest in relation to the Company's business.

Any activity that conflicts with the proper performance of their tasks or that could harm the interests and image of the company must be avoided.

Any actual or potential conflict of interest must be notified in advance to the manager, who will inform the Supervisory Board in accordance with the envisaged procedures.

3.2.9 Company assets

Employees carefully use and safeguard the assets at their disposal for reasons of office. The assets and resources owned by the Company are not to be misused.

Each employee is directly and personally responsible for the protection and legitimate use of the assets and resources entrusted to them in the performance of their duties.

The Company, in observance of the applicable laws, takes appropriate measures to prevent their misuse.

3.2.10 Use of computer systems

Each employee is responsible for complying with the applicable regulatory provisions and conditions in the licence agreements as well as in the company policies. Each employee, within the scope of their responsibilities, is also required to prevent crimes from being committed by using computer tools.

According to this approach, the fundamental objectives of the cyber security that *CNG FIBER TRADE EUROPE SRL* has set itself are the following:

- **Confidentiality:** guarantees that a particular data item is protected from improper access and is used only by authorized subjects. Confidential information must be protected at both the transmission and saving/storage stages, so that the information is only accessible to those who are authorized to know it;
- **Integrity:** guarantees that every company data item is actually what was originally entered into the computer system and has only been modified in a legitimate way. It must be ensured that the information is treated in such a way that it cannot be tampered with or modified by unauthorized subjects;
- **Availability:** guarantees that company data is available according to the requirements of process continuity and in compliance with the regulations that require its storage over time.

3.2.11 Gifts, presents and other benefits

Employees must not ask, neither for themselves nor for others, for any gifts or other benefits or accept them from anyone who has benefited or may benefit from the company's business, except for those that are of modest value and in accordance with normal business practices and courtesy.



Likewise, employees must not offer any gifts or other benefits to anyone from whom a favourable treatment may be obtained in the conduct of any business that may be related to the Company.

Unlawful advantages must not be attributed to public and private customers or suppliers. Offers of gifts and benefits of a non-modest value must be reported in order to enable an immediate verification to be made by the function manager, who will, in accordance with the planned arrangements, inform the Supervisory Board.

3.2.12 Protection of confidentiality

The Company protects the privacy of its employees in accordance with applicable law (EU Reg. 2016/679, Legislative Decree No. 101/2018), undertaking not to disclose or publish, save legal obligations, the relevant personal data without the prior consent of the data subject.

The acquisition, processing and storage of such information takes place within specific procedures to ensure that unauthorized persons may become aware of it and the privacy rules are fully complied with.

3.2.13 Confidentiality and management of information

Employees are responsible for keeping information they become aware of in the course of their duties confidential in accordance with the law, regulations and circumstances and for carefully keeping the data they are entrusted with.

Employees must comply with this duty of confidentiality even after termination of employment.

3.2.14 Information requirements

All employees are required, in a timely and confidential manner, to inform their function manager and the Supervisory Board of any information that has come to their attention in the course of their work regarding violations of legal rules, the Code of Ethics or other company provisions that may, in any capacity, be prejudicial to the Company.

Function managers must supervise the work of employees and must inform the Supervisory Board of any possible breach of these rules.

3.3 Rules of conduct for the protection of the work environment

The Company applies best efforts to create a work environment that guarantees conditions that respect the dignity of everyone interacting with the company and in which the human characteristics, beliefs or preferences of the individuals cannot give rise to any discrimination, conditioning or harmful acts.

The Company is committed to the protection of privacy with respect to data relating to the privacy and opinions of its workers.

The company requires that no one should in internal and external labour relations be placed in a state of subjugation through violence, threats, deception, abuse of authority, taking advantage of a situation of physical or mental inferiority, or of a situation of necessity. The Company disapproves of any form of harassment, including sexual harassment.



3.4 Rules of conduct in Safety and Health

The Company applies best efforts so make sure that the culture of safety at work is widespread, developing risk awareness and encouraging responsible behaviour by all employees/contract staff.

The company, mainly through preventive measures, strives to preserve the health and safety of human resources, as well as to protect all company resources.

Every employee/staff member must contribute to the good management of Safety and Health, always operating in accordance with the applicable regulations, and must not subject other employees/staff members to risks that could harm their health or physical safety.

3.5 Rules of conduct in the protection of Corporate Assets

In order to protect the Company's assets, each employee/staff member is required to act diligently and behave responsibly.

In particular, each employee/staff member must: 1) scrupulously and sparingly use the assets entrusted to them; 2) avoid improper use of the company assets, which could cause damage or loss of efficiency, or otherwise be contrary to the interests of the company; 3) avoid improper use of company assets for purposes and aims outside their duties and work, especially where it is detrimental to the image and decorum of the company.

Each Employee or Staff Member is responsible for protecting the resources assigned to them and has the duty to inform their manager promptly of any events that may harm the company.

3.6 Rules of conduct in relations with the Public Administration and Institutions

Relations with public bodies and public institutions of all kinds, whether Italian or international (e.g.: Customs), must be transparent and consistent with the company's policy and must be entertained by the company's functions formally delegated to them. This requirement is also felt in a situation such as that of CNG FIBER TRADE EUROPE SRL which may be in contact with the public administration.

To this end, the company has geared its relations with the P.A. to the utmost transparency by not intervening in the sphere of public authorities or in the political sphere to favour third party interests in order to receive benefits of various kinds.

Therefore, it is not permitted to offer any money or gifts (except for gifts or benefits of a modest value, and in any event such as to not affect the integrity or reputation of one of the parties and not to be construed as intended to obtain improper advantage) or have relations of consulting, sponsoring or advertising, or give personal assignments to Public Administration Directors, Officials or Employees or their relatives, whether Italian or from other countries, that have been involved in administrative or judicial proceedings arising from assignments conferred on them by Public Administrations and that have benefited CNG FIBER TRADE EUROPE SRL in the last 12 months.



The Company considers both illegal payments made directly by business Subjects and those made through Subjects acting on their behalf to be bribery.

In connection with any relationship with the Public Administration or concessionaires of a public establishment, it is prohibited to offer and/or accept any item, object, service or sums of value or other benefits for the performance of acts contrary to or in conformity with one's office.

When business negotiations and/or a relationship with the Public Administration is in progress, the designated Personnel must not seek to influence the decisions of the Counterparty, including in this the Officials who handle or make decisions on behalf of the Public Administration.

In the specific case of tendering with the Public Administration, this has to be done in observance of the Law and good business practice.

If the Company uses a third party Subject and/or Entity to be represented in dealings with the Public Administration (as in the case of agents/customs agents) toward the Company, its Employees and/or Contract Staff, the same guidelines apply to its Employees.

Furthermore, the company must not be represented by any third party Subjects whose cooperation may indicate a conflict of interest.

In particular, and merely by way of example, in relations with representatives of public Institutions and the Public Administration in general, whether Italian or international, it is prohibited to:

- promise or grant cash payments for purposes other than institutional purposes;
- promise or grant favouritism in hiring staff, selecting suppliers of goods and services, and in communicating information and documents;
- produce false or altered documents and/or data or omit required information, including for the purpose of obtaining contributions/grants/funding or other payments from the State or Public Bodies or from the European Union;
- allocate public contributions/grants/funding for purposes other than those for which they were obtained;
- obtain unauthorized access to Public Administration information systems to obtain and/or modify information for the benefit of the company.

3.7 Rules of conduct in relations with Public Monitoring Authorities

Relations with the Public Supervisory Authorities, whether Italian, EU or international, are characterized by the utmost cooperation, transparency and propriety. The company shall fully and scrupulously implement the compliance with these Authorities and cooperate actively in the course of the inspection activities.

3.8 Rules of conduct in relations with the Judicial Authority

The company appears in court in the person of its legal representative, who represents it with loyalty and transparency, using competent lawyers of unblemished ethical honesty. In no way can the importance of the lawsuit justify the direct or indirect exercise of undue pressure (in any form exercised or attempted) aimed at



inducing the Authority with jurisdiction to favour the company in deciding on the case. It is prohibited to apply undue pressure on employees/staff members to induce them not to make statements or to make false statements to the Judicial Authority, in order to benefit the company.

3.9 Rules of conduct in relations with political and trade-union organizations

The Company applies no direct or indirect pressure on political leaders.

The Company makes no contributions to organizations with which there may be conflicting interests. Any relations of the company with these organizations and their representatives must be governed by the law and the utmost transparency, integrity and impartiality, in order to establish a proper rapport.

3.10 Rules of conduct in environmental matters

The Company's environmental policy stems from an awareness of the strategic role that its mission plays in the sustainable development of the territory and that the environment represents a competitive advantage in a market increasingly focused on the quality of services. The Company is committed to promoting sustainable development by taking measures that promote energy saving, energy efficiency and the conservation of natural resources.

3.11 Rules of conduct in company matters

Notifications, communications and filings with the Register of Companies that are mandatory for the Company must be made by the subjects identified by the laws in a timely, truthful manner and in compliance with applicable laws.

It is expressly prohibited to prevent or obstruct, by concealing documents or by other artifices, the conduct of control or auditing activities legally and possibly assigned to other company bodies or the Audit Company.

It is prohibited to allocate profits or advances on profits not actually earned or earmarked for reserve purposes or to distribute unavailable reserves.

It is prohibited to implement operations on the profit of the financial year which are not in accordance with the Law and the Company By-laws. No operations are allowed that could cause harm to Creditors.

3.12 Relations with mass media

Relations with the media must be followed and maintained by subjects specifically designated by the company, who must verify the requests before issuing any communications.

Any information issued must be based on the principles of truth, transparency, fairness and prudence, in accordance with this code of ethics, internal procedures and the protection of the company's image. It is prohibited to communicate any data or news in the Company's name to the media or media outlets without an express company authorization.

3.13. Rules of conduct in customs matters

The Company undertakes to observe and enforce observance by its employees and third party contract staff (contractors, carriers, agents, customs agents, etc.) of the customs regulations in force (**Presidential Decree 23 January 1973 No. 43** and EU/international regulations).



3.14 Criteria for conduct regarding non-cash payment instruments

In order to prevent offences relating to non-cash payment instruments, the Company forbids:

- all purchases, investments and transactions using virtual currency (Bitcoin, Ethereum or any other form of digital currency without legal tender);
- all forms of interference with the computer programmes used to manage the Company's collections or payments;
- the use of company credit and debit cards assigned to directors or company personnel, in possession of appropriate authorisation, for uses other than those indicated at the time of assignment - making payment transactions using a credit or debit card of which one is not the holder even without the material possession of the card itself but using the number and personal codes of the card of which the user has come into unlawful possession;
- alteration in any way of the operation of a computer or telecommunications system or unauthorised intervention on data, information or programmes stored on a computer or telecommunications system for the purpose of transferring money, currency or virtual currency.

The Company also makes all its staff aware of the need to comply with IT procedures and regulations, to ensure the safekeeping of credentials for accessing the company's IT systems and the utmost care in preventing computer fraud (e.g. phishing);

The company also makes all its collections using systems that ensure total traceability, using bank transfers or cheques. No POS/credit card payment collection systems are in use.

The payment method mainly used by CNG to pay its creditors is bank transfer, also for the purposes of full compliance with the regulations on the traceability of cash flows pursuant to article 3, Law no. 136 of 13 August 2010, and subsequent amendments.

Any company credit cards are supplied for use by the Board of Directors to the Chief Executive Officer or by the latter to specific employees, based on the needs related to the duties performed, following a formal assignment that governs the methods and limits of their use (e.g. obligation to check that they have the card every day, obligation to install the sms system that sends notification via text of every amount spent on the card, obligation to promptly notify the Company of any loss or theft with a view to immediate blocking the card, and to provide all the information that may be useful and necessary for the person authorised to report the loss/theft).

The use of the cards is promptly reported on a monthly basis by the Accounting/Administration Office (this task is currently entrusted to Ms. Silvia Menicucci), which matches each transaction with the corresponding invoices or tax receipts.

All employees and/or collaborators of CNG must comply with the provisions of this code of ethics, the Organisational Model pursuant to Legislative Decree 231/2001 adopted by CNG, the protocols issued by CNG in relation to the use of credit cards and non-cash payments and, in general, with legal regulations, in order to avoid any breach of the provisions of Legislative Decree 231/2001 and subsequent amendments and generally to prevent damage to CNG.



4. EFFECTIVENESS OF THE CODE OF ETHICS AND CONSEQUENCES OF ITS VIOLATIONS

4.1. Observance of the Code of Ethics

Observance of the rules of the Code of Ethics must be considered an essential part of employees' contractual obligations. It must also be regarded as an essential part of the contractual obligations entered into by non-subordinate contract staff and/or subjects having business relations with the company.

The Company's management is responsible for ensuring that the company's expectations of its employees are understood by the latter and put into practice. Management must therefore ensure that the commitments set out in the Code of Ethics are implemented.

4.2 Reporting violations

In order to ensure the effective application of the Code of Ethics, the Company requires all who become aware of any instances of non-compliance with the Code of Ethics within the Company to make a report.

Employees must report any violations or suspected violations to their immediate manager, or if the employee's reporting to their manager is not effective or appropriate, they must report to the Board of Directors, or directly to the Supervisory Board (SB).

All subjects, in accordance with Law No. 179/2017, are required to make only detailed reports of illegal conduct, which are relevant under Legislative Decree no. 231/01 and based on precise and consistent facts, or breaches of Model 231, of which the reporting persons have become aware as a result of their duties.

The Supervisory Board is a body appointed by the Management Body of the company with autonomous powers of action and control.

The Supervisory Board must promptly conduct a thorough and timely review of the reported information and, once the report has proved to be well-founded, submit the case to the relevant company function for the application of any disciplinary penalties or for the activation of contractual termination mechanisms. The Supervisory Board may call and hear the author of the report and any other parties involved, possibly consulting the Board of Directors.

For subjects outside the Company, reports are to be forwarded directly to the Supervisory Board.

Reports to the Supervisory Board are to be made in writing to one of the following addresses:

- **Supervisory Board, c/o registered office of CNG FIBER TRADE EUROPE S.R.L.** (Lucca, via Carlo Piaggia 382, cap. 55100, frazione San Filippo).
- **Supervisory Board email:**

With reference to the news of a violation or attempted violation of the rules contained in the Code of Ethics, CNG FIBER TRADE EUROPE SRL shall ensure that no one, in the area



of work, may suffer retaliation, unlawful conditioning, inconvenience, and discrimination for reporting a violation of the Code of Ethics or internal procedures. Any retaliation against anyone who has in good faith reported any possible violations of the Code also constitutes a violation of the Code of Ethics. Furthermore, the behaviour of anyone accusing other employees of a violation, knowing that there is no such violation, is to be considered a violation of the Code of Ethics.

4.3. Penalties

Violating the principles laid down in the Code of Ethics and company procedures undermines the bona fide relationship between the company and anyone who committed the violation (directors, employees, consultants, auditors, contract staff, customers, suppliers, business and financial partners).

Violations, once ascertained, shall be prosecuted effectively, promptly and without delay, through appropriate and proportionate disciplinary action, in accordance with the existing regulatory framework, irrespective of the possible criminal relevance of such conduct and the establishment of criminal proceedings in cases where such conduct constitutes a criminal offence.

Disciplinary measures for violations of the Code of Ethics are taken by the Company in accordance with applicable laws, the Disciplinary System and the national collective labour agreement.

Such measures may also include the removal from the company of those responsible.

For the protection of its image and resources, the Company shall not engage in any relationship with any subject that does not intend to operate strictly in accordance with applicable laws, and/or who refuses to act in accordance with the values and principles set forth in this Code of Ethics.

4.4. Publishing the Code of Ethics

This Code is brought to the knowledge of the company's bodies, employees, consultants and contract staff, and any other third parties who may act on behalf of the company. All of these subjects are required to learn and respect its content.

The Code of Conduct is published with appropriate prominence on the company's website. A hard copy is distributed to all current and future employees and contract staff in service. A copy can be obtained from the Administrative Office of CNG FIBER TRADE EUROPE SRL.

Updates and revisions to the Code of Ethics are approved by the Board of Directors.

In order to ensure a proper understanding of the Code of Ethics, CNG FIBER TRADE EUROPE SRL has an information/training plan to ensure full disclosure and explanation of the document in question.

REFERENCES

– Legislative Decree 8 June 2001 No. 231 and subsequent updates;



CODE OF ETHICS

– Confindustria Guidelines for the construction of the Organizational Model
Legislative Decree No. 231/2001 (updated to 2014).