
CODE OF ETHICS

Approved by resolution of the Board of Directors of 25/07/2019

[Annex C to the Organization, Management and Control Model](#)

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1. Foreword

The Code of Ethics of “OGNIBENE POWER S.p.A.” and all its subsidiaries Ognibene Hidrostatica Limitada - Brazil, Ognibene India Private Limited, Ognibene Hydraulic Components Co Ltd. – China, Ognibene North America LLC, Opower Japan K.K., Opower GmbH – Germany (hereinafter referred to as “**Company**” or “**OGNIBENE POWER**”), approved by resolution of the Company’s Board of Directors of 25/07/2019, defines the ethical principles and general rules of conduct to which all subjects involved with the Company shall adapt in the daily conduct of business activities. Therefore, it applies to corporate bodies and members, employees, collaborators as well as those who act in the name and on behalf of the Company, including those who for any reason have relations with the same,

It is OGNIBENE POWER’s conviction that ethics in professional conduct and respect for the principles and rules contained in the Code of Ethics are essential assets of the corporate culture and essential elements for a successful economic activity.

Consequently, the Company has decided to adopt its own Code of Ethics which regulates and directs the behaviors and actions of the employees in carrying out their activities and in relations with third parties for any reason and in any form involved in the business, preserves the appropriate levels of organization, efficiency and quality of the activity and, not least, represents a suitable tool for the prevention of any illegal behavior.

2. Recipients

The principles and provisions of the Code of Ethics apply to the following parties: members of the corporate bodies, natural and legal persons who carry out supervisory and control functions in accordance with the law, the Articles of Association and internal organizational rules and models, shareholders, representatives in general who act in the name and / or on behalf of the Company, employees, managers included, and external collaborators of the Company, service providers, professionals, consultants, agents, brokers and intermediaries in general, whether they are natural or legal persons, concessionaires and persons who, for any reason, have dealings with the Company (all the persons mentioned above are jointly defined as “Recipients”).

3. General Principles

3.1 Respect for the person and the human dignity

OGNIBENE POWER is committed to conducting its business and corporate activities with respect for the person and the human dignity.

OGNIBENE POWER does not tolerate any form of discrimination based on:

- Race
- Color
- Religion
- Age
- Sex, sexual orientation, gender identity or gender expression
- National or geographic ethnic origin
- Disability
- Any other classification set forth by applicable law.

Integrity is fundamental to the Company, along with our other values: Passion, Quality, Commitment and Innovation.

OGNIBENE POWER and all Recipients must also operate in compliance with national and international regulations, ethical values and correct behavior, according to criteria of clarity and transparency, also regarding third parties, so as not to prejudice the dignity and not to raise doubts about the legitimacy of the Company's activities.

The pursuit of the Company's interest cannot justify in any way unethical behavior to the aforesaid principles and values.

3.2 Awareness

Individual behaviors must be based on awareness and determination to work towards the pursuit of common goals as well as to share the sense of belonging to the Company, respecting the different personalities, opinions, knowledge and experiences. The promotion the Company's image and reputation must also be pursued.

3.3 Importance of human resources

People come first.

OGNIBENE POWER cares deeply about the people who build the products.

The Company undertakes to foster the development of the skills and expertise of each employee, promoting the valorization of innovative and entrepreneurial spirit within the limits of each employee's responsibility.

3.4 Efficiency and effectiveness

Promptness and determination in taking and implementing decisions are key factors for success. The decision-making process must consider the criteria of responsibility, delegation, simplicity and must be followed by the verification of results.

The full achievement of individual objectives as such is not the best contribution to the success of the Company, which is built only with a strong and widespread propensity for teamwork combined with the skills necessary for the successful outcome of the different operations.

Ability, seriousness, professional competence are fundamental and necessary components for each individual's activity to achieve excellent results.

3.5 Fairness in the relations with collaborators

OGNIBENE POWER insists on a work environment free of intimidation and harassment.

All the employees are therefore treated fairly and equitably.

Employees are required to collaborate in order to maintain an environment of decorum and mutual respect for the dignity of each employee.

3.6 Conflicts of interest

Conflicts of interest arise where a personal interest or family or other relations make it difficult for an individual to represent the Company fully and fairly.

Conflicts of interest can arise in any part of OGNIBENE's operations.

Anyone acting in the name and on behalf of the Company may not accept money, gifts, favors or entertainment from persons or firms that have or intend to enter into business relations with the Company.

3.7 Equity of authorities

In hierarchical relations, no situations should occur in which the exercise of the principle of authority is detrimental to the dignity and professionalism of employees.

OGNIBENE POWER undertakes to ensure that the authority is exercised with equity and fairness and that any form of abuse is avoided. In particular, OGNIBENE POWER guarantees that authority will not turn into the exercise of power that may be detrimental to the dignity and autonomy of the person.

3.8 Confidentiality

OGNIBENE POWER guarantees the confidentiality of the information in its possession, in compliance with the provisions of the law and does not use confidential information for purposes not related to the exercise of its professional activity.

3.9 Transparency and completeness of information

OGNIBENE POWER is required to provide complete, transparent, understandable and accurate information, so that, in establishing relations with the company, the interlocutors, of any kind, are able to make independent decisions and are aware of the interests involved, the alternatives and relevant consequences.

In the formation of contractual relations, OGNIBENE POWER will specify to the contractor the behaviors to be observed in all the foreseen circumstances, in a clear and understandable way.

3.10 Fair competition

OGNIBENE POWER recognizes the critical importance of an open and competitive market and is committed to fully complying with all applicable competition laws. The Company does not engage in business practices which may violate applicable competition laws.

Within the framework of fair competition, the Company shall not knowingly infringe any third party's intellectual property rights or obtain or use a competitor's confidential information.

3.11 Protection of health, safety and environment

The Company undertakes to disseminate and consolidate a culture of safety, fostering awareness of risks and respect for applicable prevention and protection regulations, promoting responsible conduct by all; the Company also works to preserve and improve the working conditions, health and safety of employees, particularly by preventative actions.

3.12 Correct management of contractual relations

OGNIBENE POWER undertakes not to exploit the conditions of ignorance and incapacity of its counterparts.

It must be avoided that, in existing relations, anyone acting in the name and on behalf of the Company seeks to take advantage of contractual gaps or unforeseen events, to renegotiate the contract for the only purpose of exploiting the position of dependence or weakness which the interlocutor has come to face.

3.13 Personal data protection

The Company undertakes to collect personal data of customers, business partners, collaborators, employees and other parties in compliance with all applicable privacy laws.

3.14 Information processing

Any information relating to the Company's business must be treated in full respect of the confidentiality and privacy of the concerned parties.

In particular OGNIBENE POWER:

- Defines an information processing organization that ensures the correct separation of roles and responsibilities;
- Classifies the information by increasing levels of criticality and adopts appropriate countermeasures at each stage of processing;
- Requests third parties, involved in the information processing, to sign confidentiality agreements.

4. Criteria of Conduct

4.1 Recognition and accountability of human resources

4.1.1 Relations with employees

The Company recognizes the central role of human resources in the pursuit of its objectives, considers the principle of worker's protection to be a primary value, denies any form of exploitation and tends to enhance the personality, competence and professionalism of each employee.

OGNIBENE POWER does not employ any form of forced, mandatory or child labor and does not employ people younger than the permissible age for working established in the legislation of the place in which the work is carried out and, in any case, younger than fifteen. OGNIBENE POWER is also committed to not establishing or maintaining working relations with suppliers that employ child labor, as defined above.

Personnel recruitment is carried out on the basis of correspondence between candidate profiles and corporate requirements, in a context of equal opportunities for all candidates.

The information requested is strictly linked to the verification of professional profile and aptitudes, respecting candidates' privacy and opinions.

All employees are entitled to a fair and proportionate remuneration for the exploitation of their work.

4.1.2 Employees' obligations

All persons working for and on behalf of the Company, such as employees, external collaborators, departments heads and direct collaborators must operate in compliance with the rules of conduct regardless of the type of collaboration (employment or external collaboration) with the Company.

Each individual must carry out his/her own working activity and perform his/her duties with diligence, efficiency and correctness, using the best skills, tools and time available and also assuming the responsibilities connected with tasks undertaken.

Managers must professionally encourage their employees and involve them in decisions.

Each employee is obliged to diligently safeguard and use company equipment made available to them for the performance of their duty, acting responsibly to avoid both improper use that could damage the equipment or reduce its efficiency, and use for personal purposes.

Under no circumstances it is permitted to use the company's assets, including IT and network resources, for purposes contrary to law, public order or morality, as well as to commit or induce the commission of crimes or to instigate racial hatred, glorification of violence or violation of human rights.

Each employee is required to protect the confidentiality and secrecy of intellectual and industrial property rights, the company's information in his/her possession and to act in the Company's best interests.

4.1.3 Relations between employees

Each employee or collaborator of the Company, is committed to promote the values of civil coexistence and a work environment free of prejudices with respect to their own functions and to the personality and safety of other workers; also to collaborate actively with the Company to maintain a climate of mutual respect and dignity of each individual, without discrimination for any reason.

Relations between employees, regardless of the level of responsibility, must be based on the values of loyalty, fairness and mutual respect.

4.2 Criteria of conduct of relations with suppliers and customers

4.2.1 Selection of Suppliers

Supply chain and suppliers play a fundamental role in improving **OGNIBENE POWER's** overall competitiveness. With a view toward achieving the highest level of quality and customer satisfaction at all times, suppliers are evaluated and selected through the use of appropriate objective methods, on the basis of, among others, the quality, innovation, costs and services offered, as well as their social and environmental performances and the values outlined in the Code. Business relations with suppliers are based on stability, transparency and cooperation.

4.2.2 Customers

The company affirms the importance of achieving total customer satisfaction for the products and services provided to them. To achieve this objective, the Company pursues (i) the definition and maintenance of high-quality standards in relation to the market, (ii) the constant commitment to innovation of processes and products, (iii) the monitoring of customer satisfaction.

Customers' assessment considers their capacity to fulfill their payment commitments.

4.2.3 Conflicts of interest

In carrying out any activity, OGNIBENE POWER operates in order to avoid incurring situations of conflict of interest, real or merely potential.

All directors, employees, collaborators or consultants of the Company must pursue, in the performance of their activities and / or duties, the objectives and general interests of the Company. In particular: (i) all decisions relating to the purchase of goods or services must be made in compliance with objective criteria, of quality, technology, price, production, logistics, (ii) all suppliers must be treated avoiding competitive information leakage, (iii) contracts and orders with suppliers must be concluded on the basis of an independent and transparent decision-making process, (iv) it is forbidden to turn to suppliers for private purposes, with preferential or free of charge conditions; and mutually signed contracts cannot be used for personal purposes or for own purchase of vehicles and services.

If a situation of conflict, even potential, occurs, employees, collaborators or consultants of the Company must immediately notify their superiors.

4.2.4 Relations with suppliers and customers

In relations with the Company's commercial partners, compliance with applicable laws must be observed. Contracts and communications with suppliers and customers must be complete, consistent with applicable regulations, clear and easy to interpret.

In relations with suppliers of goods and services and in relations with customers, Recipients are forbidden from offering or accepting gifts or benefits.

In any case it is forbidden to accept sums of money and to make offers of any kind.

No director, employee, collaborator or consultant can take advantage of his / her position in the Company to ensure an improper benefit to the Company, to him / herself or to third parties.

4.3 Relations with Public Administration and Authorities

4.3.1 Respect for the guide values and legislation

I rapporti con la Pubblica Amministrazione devono essere improntati alla massima trasparenza, chiarezza e correttezza e rispetto dei rispettivi ruoli.

In particolare i Destinatari, nelle rispettive attribuzioni ed ambiti di competenza, sono tenuti a rispettare e far rispettare la legislazione che regola l'attività della Società, ad osservare le regole di autodisciplina adottate, ad adottare e far osservare le regole di comportamento postulate da ogni altra normativa o regolamentazione specifica, a rispettare le normative di settore che disciplinano l'attività svolta dalla Società, ad espletare con tempestività gli adempimenti di legge, nonché a dotarsi degli strumenti necessari per evitare che i comportamenti dei singoli possano determinare la responsabilità delle persone giuridiche.

4.3.2 Prohibited behaviors

By way of example only, Recipients must neither directly nor indirectly:

- (i) Review or propose employment and / or business opportunities that may personally benefit Public Administration employees;
- (ii) Offer money or gifts of any kind;
- (iii) exert unlawful pressures or promise any object, service or performance;
- (iv) present false statements to national public bodies in order to obtain public funds, grants or subsidized loans or to obtain concessions, authorizations, licenses or other administrative acts;
- (v) alter the IT or electronic system or manipulate the data contained therein in order to obtain an unfair profit causing damage to the Public Administration;
- (vi) allocate sums received from public bodies by way of grants, contributions or loans, for purposes other than those for which they were assigned;
- (vii) solicit or obtain confidential information that may compromise the integrity and reputation of both parties.

4.3.3 Fighting corruption

OGNIBENE POWER is committed to fighting all forms of corruption. To implement this commitment, Recipients shall not (i) offer, give, receive or accept guarantees, (ii) promise or accept the promise (of), (iii) accept money or any other benefits or advantages from public or private subjects, performing acts contrary to or unrelated to the office duties.

4.3.4 Relations with the community

The Company maintains fair and non-discriminatory relations with political parties, trade unions and associations engaged in political activity refraining from providing funding.

4.4 Health and safety at work

The Company recognizes health and safety in the workplace as a fundamental right of employees and a key element of OGNIBENE POWER's sustainability. All choices must respect the health and safety of employees in the workplace.

OGNIBENE POWER adopted and continue to improve an efficient occupational health and safety policy which implements preventive measures to minimize the potential for injury in the workplace.

The Company seeks to ensure industry leading working, in accordance with principles of hygiene, industrial ergonomics and individual organizational and operational processes. OGNIBENE POWER believes in a culture of accident prevention and risk awareness among workers, in particular through the provision of training and information.

All employees are required to be personally responsible and to take the measures established by the Company for the protection of health and safety. Each employee is responsible for proper management of safety and should not expose him/herself or other workers to dangers, which could cause injures or be damaging for themselves or others.

The Company has obtained ISO 45001 certification.

4.5 Respect for the environment

OGNIBENE POWER respects the environment and sustainability. The Company works to minimize waste, prevent pollution and conserve energy.

Every facility must have and comply with all permits and authorizations and abide by OGNIBENE POWER global environmental standards and requirements.

All plant materials and waste must be handled in strict compliance with all governmental and OGNIBENE POWER requirements, including storage, labeling, management, disposal, reporting, training and record-keeping.

The Company has obtained ISO 14001:2004 certification.

5. Methods of implementation

5.1 Violation of the provisions of the Code of Ethics

Violation of the provisions of the Code of Ethics – including the laws, regulations and procedures referred to therein - will result in the application of disciplinary sanctions in accordance with the applicable laws and regulations and the collective and individual agreements, in compliance with the legal procedures.

Any claims for damages remain unaffected.

In determining the sanction, account must be taken of the concrete circumstances of the case and of the possible repetition of the violation, with particular reference to:

- (i) any breach by employees of the provision of the Code constitutes a violation of the primary obligations of their employment and a disciplinary offence, with all legal consequences, also with regard to job retention, and may also involve actions for compensation for damages arising therefrom.
- (ii) managers, the law and contract provisions;
- (iii) the members of the corporate bodies, about the possibility of revocation from the office or the imposition of other sanctions to be adopted by the Board of Directors;
- (iv) for persons concerned who are not employees, observance of the Code constitutes a precondition for the continuation of the existing professional / collaborative relation with the Company; therefore, any breach of the provisions of the Code may constitute a breach of their contractual obligations, with all legal consequences, including in relation to the rescission of the contract and/or assignment, and may involve compensation for damages suffered by the Company.

5.2 Company commitment

To comply with the principles set out in the Code of Ethics, the Company will:

- (i) ensure the maximum circulation and knowledge of the Code;
- (ii) provide a uniform and clear interpretation of the Code;
- (iii) carry out appropriate investigations in the event of reports of violation of the Code;
- (iv) apply sanctions in accordance with current legislation;
- (v) prevent and repress any form of retaliation against those who contribute to the implementation of this Code;
- (vi) periodically update the Code based on the needs that may arise from time to time also in relation to the activities indicated above.

Without prejudice to the powers assigned to the corporate bodies and to the appointment of the Supervisory Body, pursuant to the law, all Recipients are required to collaborate in the implementation of the Code of Ethics, within the scope of their own competences and functions.

5.3 Supervision on the implementation of the Code of Ethics

The Board of Directors ensures the implementation and application of the Code of Ethics. The Supervisory Body must monitor compliance with the Code of Ethics, suggest appropriate updates and:

- (i) Communicate violations' report of the Code of Ethics to the Human Resources Department and the Board of Directors;
- (ii) contribute to the periodic review of the Code of Ethics.

All recipients must report situations, facts or actions that, in the company activities, may violate the provisions of the Code of Ethics directly to the Supervisory body.

In particular, any behavior contrary to the spirit of the Code must be immediately reported to the Supervisory Body using the methods provided by the Model and, in particular, the specific email: odv231@ognibene.com

In order to guarantee the full application of Law 179/2017 (so-called "Whistleblowing") specific IT channels have been set up; in particular, the Recipients may use the following email addresses:

marilena.lagrotteria@studio.le.it

stefano.domenichini@studio.le.it

The Company will protect whistleblowers from any form of retaliation, discrimination or penalization and ensure identity confidentiality, except in the case of legal obligations and protection of the Company's rights or in case of involvement of persons wrongly accused and/or in bad faith.

Using the same addresses indicated above, Recipients may also request clarifications regarding parts of the Code of Ethics on which they need interpretation and / or guidance.

The Supervisory Body ascertains the violations of the Code of Ethics and communicates its findings to the administrative body of the Company for the adoption of adequate disciplinary measures.