
Supplier Code of Conduct

Approved by resolution of the Board of Directors of 16/03/2021

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1. Foreword

The model of sustainable development 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 “OGNIBENE POWER”), integrates business activities, conducted in an ethical and transparent manner, with the protection of human rights, the protection of health and safety and the protection of the environment.

Respect for the principles of legality, honesty, fairness, equality, confidentiality, fairness, good repute, transparency and sustainability is applied within OGNIBENE POWER and also in relations with third parties with whom it enters into a relationship in the performance of its activity.

In this context, in order to regulate relations with stakeholders, OGNIBENE POWER has already adopted control tools. Among these, the Code of Ethics, approved by the Board of Directors of the Company with a resolution of the 16/03/2021, which 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.

In this context, OGNIBENE POWER considers it of primary importance to create transparent and lasting relationships with its suppliers and to share the rules and principles on which the Company is inspired in the performance of its activities. OGNIBENE POWER, in fact, requires its suppliers to adopt the same principles and behaviors. In order to constantly guarantee the highest level of quality and customer satisfaction, suppliers are evaluated and selected using appropriate objective methods based not only on quality, but also on innovation, as well as on their socio-environmental performance and the values set out in the Code of Conduct. Business relations with suppliers are based on stability, transparency and cooperation.

In accordance with the above, the Company has decided to adopt a Supplier Code of Conduct (hereafter, “**Code of Conduct**”) that defines the principles and rules of conduct that it requires to be expected to comply with along its supply chain, in order to ensure a sustainable business.

The Code of Conduct is based on the principles contained in the United Nations Universal Declaration of Human Rights, the Tripartite Declaration of Principles on Multinational Enterprises, the Social Policy of the ILO (International Labour Organization) and the OECD Guidelines for Multinational Enterprises.

The Code of Conduct will be diffused to the recipients of the Code itself, through the channels that OGNIBENE POWER deems most appropriate, and published on the Company's website.

2. Recipients

Compliance with the principles and provisions of the Code of Conduct is required of all those who, in any capacity, collaborate with OGNIBENE POWER, such as suppliers, contractors, subcontractors, external collaborators, lenders or service providers, professionals, consultants,

agents, business touts, intermediaries in general or business partners, whether natural or legal persons (all the above subjects are jointly referred to as "**Recipients**").

For this reason, OGNIBENE POWER promotes the diffusion and application of the Code of Conduct within its business relations.

Compliance with the provisions of the Code of Conduct must be considered a substantial and essential part of the obligations, in any capacity and to any legal effect, assumed by the Recipients towards OGNIBENE POWER.

The Recipients are, in turn, required to inform, share and explain to their employees, sub-suppliers, collaborators and auxiliaries the principles contained in the Code of Conduct, ensuring compliance by these categories and carrying out appropriate checks in this regard.

3. General Principles

3.1 Compliance with the law and regulation in force

Compliance with the law and current regulations is a fundamental principle for OGNIBENE POWER.

Recipients are required to comply with national and international law and regulations together with any other applicable agreement within the contractual relationship with OGNIBENE POWER. Recipients are also required to operate in compliance with the principles set out in the Code of Conduct.

3.2 Anti-Corruption

OGNIBENE POWER is committed to fighting all forms of corruption.

Companies are expected to comply with the anti-corruption laws and are expected to have a zero-tolerance policy for all forms of bribery, corruption, extortion and embezzlement.

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.

Recipients are expected to prohibit promising, offering, authorizing, giving, or accepting something of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage. Recipients must take measures to ensure that every economic and financial transaction is accurately recorded, so as to ensure the traceability and rebuildability of each individual process.

3.3 Respect for the person and the human dignity

OGNIBENE POWER recognises and respects the personal dignity, privacy and personality rights of any individual, as an essential and indispensable value.

The same commitment is required of the Recipients.

In conducting business and carrying out activities, therefore, the Recipients should respect internationally proclaimed human rights, pursue and ensure respect for the person and human dignity, not tolerate any form of discrimination in respect of employment and occupation and should provide equal employment opportunities regardless of worker or applicant characteristics such as:

- 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.

Recipients should provide a workplace free of harassment against workers in any form.

OGNIBENE POWER repudiates forced labor, with constraints or carried out in a non-voluntary way. The Recipients should ensure that workers are not required to pay recruitment fees or related fees of any type for employment and are free to leave the company following adequate notice.

The Recipients should not hold, destroy, conceal, confiscate, or deny access to employee identity documents unless required by applicable law.

The Recipients should ensure all workers receive a written contract or ensure they understand the terms of employment in a language well understood by the worker.

Human Trafficking is absolutely forbidden.

Child labour is not tolerated in any form. The age of employment for young workers must meet or exceed company guidelines and local labour laws.

The Recipients must not employ young workers for any hazardous work, night-time or overtime work, or work that is inconsistent with the young worker's personal development. Personal development includes a young worker's health or physical, mental, or social development. Young workers should, at all times, be protected from violence and abuse. Where a young worker is employed, the best interest of the young worker shall be primary consideration.

The Recipients should allow workers to communicate openly with management regarding working conditions and management practices without fear of reprisal, intimidation or harassment. The Recipients should respect employee rights to associate freely, to join or not join labour unions, bargain collectively, seek representation, and join workers' councils in accordance with local law.

The Recipients should comply with all applicable local laws regulating working and resting hours and maximum consecutive days of work.

The Recipients should make sure that hours worked beyond the normal work week are voluntary, unless a collective bargaining agreement allows for required time under certain conditions and/or, if lawful in exceptional circumstances.

The Recipients should provide compensation and benefits that comply with applicable local laws.

Ai Destinatari è richiesto il rispetto del diritto alla privacy dei dipendenti, impegnandosi all'utilizzo corretto dei dati e delle informazioni fornite in conformità alla legge e ai regolamenti nazionali e internazionali vigenti e applicabili.

3.4 Conflict of interest

The Recipients are expected to make decisions based on solid business judgment unclouded by favouritism resulting from personal relations and opinions.

3.5 Disclosure of information

Recipients are required to ensure the confidentiality of technical, strategic and all confidential information in their possession, in accordance with legal and contractual provisions, and not to use confidential information for purposes not strictly related to the exercise of their professional activity in the context of the contractual relationship.

To this end, Recipients are required to take appropriate measures to protect confidential information.

3.6 Protection of intellectual and/or industrial property rights

The Recipients are required to respect the intellectual and/or industrial property rights of OGNIBENE POWER and third parties and are liable for the use or infringement of patents and/or trademarks and/or other intellectual and/or industrial property rights relating to the use of materials, machinery or working methods used in the execution of their business.

3.7 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 Recipients are expected to uphold standards of fair business and competition including, but not limited to, avoiding business practices that unlawfully restrain competition; improper exchange of competitive information; and price fixing, bid rigging, or improper market allocation.

3.8 Protection of health, safety and environment

The Recipients must provide workers with a safe and healthy work environment. They should take proactive measures that support accident prevention and minimize health risk exposure. They must ensure their operations comply with all laws related to health and occupational safety.

The Recipients are expected to conduct their operations in a way that minimizes the impact on natural resources and protects the environment, customers, and employees. They must ensure their operations comply with all applicable laws related to air emissions, water discharges, toxic substances, and hazardous waste disposal.

3.9 Energy saving strategies and use of sources renewable

With a view to corporate protection and sustainability, OGNIBENE POWER acts in a sustainable way, minimizing environmental impacts and optimizing the use of energy and natural resources.

3.10 Responsible sourcing of materials

The Recipients are expected to not knowingly provide products containing raw materials that contribute to human rights abuses, bribery and ethics violations, or negatively impact the environment.

Recipients are also required to have procedures in place for the management of restricted substances in accordance with the European regulation on REACH (*"Registration, Evaluation, Authorisation and restriction of Chemicals"*).

Recipients are also required to have procedures for the management of restricted substances in accordance with the European regulations on ROHS (*"Restriction of Hazardous Substances"*).

The Recipients are expected to use validated conflict free smelters and refiners for procurement of tin, tungsten, tantalum and gold contained in the products they produce.

3.11 Counterfeit parts

The Recipients are expected to develop, implement, and maintain methods and processes appropriate to their products and services to minimize the risk of introducing counterfeit parts and materials into deliverable products.

The Recipients are expected to establish effective processes to detect counterfeit parts and materials and, if detected, quarantine the materials and notify the Original Equipment Manufacturer (OEM) customer and/or law enforcement as appropriate.

3.12 Export controls

The Recipients are expected to establish appropriate policies and procedures to ensure compliance with applicable export controls and economic sanctions laws and regulations of all relevant countries. These laws and regulations impose restrictions on the export or re-export of goods, software, services, and technology to certain destinations, as well as prohibitions on transactions involving certain restricted countries, regions, entities and individuals.

3.13 Personal data protection

The Recipients are expected to comply with privacy and information security laws and regulatory requirements in addition to the contracted terms and conditions.

The Recipients are expected to refrain from using personal data for any purposes beyond the scope of the business arrangement.

The Recipients are expected to put in place appropriate measures to respect privacy and to protect personal data against loss and unauthorized access or use, including confidential, proprietary and personal information.

3.14 Information processing

Recipients must develop and implement reporting mechanisms, ensuring that employees will not be subject to dismissal, retaliation, harassment, or other negative consequences due to a report. In addition, Recipients must provide for and apply appropriate disciplinary measures against those who take or seek to take retaliatory action against whistleblowers.

4. Method of implementation

4.1 Monitoring

The Recipients, on request, are required to provide OGNIBENE POWER with all the information necessary for a correct and complete evaluation of the compliance with the Code of Conduct by the Recipients.

If the Recipients are unable to satisfy, in whole or in part, aspects of the Code of Conduct, they must promptly notify OGNIBENE POWER.

OGNIBENE POWER reserves the right to conduct, directly or through formally appointed third parties, inspections, in order to verify compliance with the Code of Conduct, and the Recipients must cooperate in order to allow OGNIBENE POWER to carry out the necessary checks.

4.2 Reporting mechanism

If the Recipients become aware of any violation of the Code of Conduct, they are encouraged by OGNIBENE POWER to report to the mailbox

marilena.lagrotteria@studio.le.it

stefano.domenichini@studio.le.it

The Recipients shall develop and implement reporting mechanisms.

The Recipients shall assure that employees and business associates will not be subject to termination, threats, harassment, or other adverse action by reason of making a grievance report. The Recipients shall also provide appropriate disciplinary action against those who seek to take retaliatory action against a person “blowing the whistle”.

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

4.3 Management and assessment of cases of non-compliance

In the event that non-compliance with the provisions of the Code of Conduct is found, OGNIBENE POWER reserves the right to request the Recipients implementation of corrective measures. In particular, OGNIBENE POWER is available to confront the Recipients in its path of identification and adoption of improvement actions with the aim of remedying the non-conformities found.

For the Recipients, compliance with the Code of Conduct is a prerequisite for the continuation of the professional / collaborative relationship in place with OGNIBENE POWER; therefore, violation of

the rules of the Code of Conduct may constitute non-fulfilment of contractual obligations, with any legal consequence, also with regard to the suspension or termination of the contract and/or assignment and may result in compensation for the damages suffered by OGNIBENE POWER.

4.4 OGNIBENE POWER commitment

To comply with the principles set out in the Code of Ethics, OGNIBENE POWER 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.