

CODE OF ETHICS

<i>date</i>	<i>rev</i>	<i>notes</i>	DRAFTING MKT	VERIFICATION QSM	APPROVAL CDA
22- June - 2023	5	Added item 2. Vision - Mission - Guiding Values.	F. Payani	L. Bonomi	S. Bonomi L. Bonomi

QUALITY – SAFETY – ENVIRONMENT – INTEGRATED MANAGEMENT SYSTEM

Contents

1. Code of Ethics	3
2. Mission – Guiding Values	3
3. Scope of Application	4
4. Guiding Principles	4
4.1 Respecting the Rules	4
4.2 Respecting Human and Worker Rights	4
4.3 Safeguarding Health and Safety	5
4.4 Safeguarding and Respecting the Environment	5
4.5 Integrity	5
4.6 Confidentiality and Security of Information and Personal Data	6
4.7 Quality and Conformity of Products Supplied	6
4.8 Correctness in Contractual Relations	6
5. Rules of Conduct	6
5.1 Relations with Statutory and Top Management Bodies	6
5.2 Relations with Employees and Collaborators	7
5.3 Relations with Customers	7
5.4 Relations with Suppliers	7
5.5 Relations with Public Bodies and Authorities	7
6. Communication and Training	8
7. Breaches of the Code of Ethics	8

1. Code of Ethics

The Code of Ethics is a governance tool by which HADRON S.r.l and all its subsidiaries and associated companies (hereinafter jointly indicated as "Hadron Group" and/or "Group") express the values and principles of conduct adopted when doing business and in relationships with stakeholders. This Code of Ethics was drawn up with reference to provisions on the criminal and administrative responsibility of legal persons in the various countries the Group operates. It was structured to prevent offences of various kinds being committed, based on Regulation 821/2021 UE and on subsequent amendments on dual-use goods.

2. Mission – Guiding Values

Vision: We innovate Fluid Control to safeguard People and the Planet. Anytime, anywhere.

Mission: We are a Family Company innovating the Fluid Control market with products that guarantee you peace of mind for life.

Hadron Group Vision and Mission are based on the following values and principles, cornerstones of its way to do business:

Focus on the Future

We solve today's challenges and innovate for tomorrow's needs.

We plan a sustainable existence for People and the Planet.

Cooperation

We are a team.

We create solutions thanks to passion and participation of every person in the Group.

Customer Orientation

We win when our customers win.

We bring value through tailored solutions and services.

We build long-term cooperations based on trust and personal relationship among all parties in the supply chain.

Proactivity

We have a strong and deep-rooted culture of "hands-on doing".

We take the initiative to make improvements and create innovation.

Respect and Responsibility

We uphold total and unconditional respect for dignity, safety and human rights wherever our Group operates.

We strengthen the link with our local communities and territories by contributing to their development and preservation.

We take responsibility for our actions.

The above values are achieved by pursuing the following behavioural rules:

- Be always honest;
- Aim for customer satisfaction;
- Continuously improve in research, producing and supplying the best products;
- Activate behavioural models that lead to personnel satisfaction;

QUALITY – SAFETY – ENVIRONMENT – INTEGRATED MANAGEMENT SYSTEM

- Measure financial results through legally compliant profits;
- Work for the community.

Through its Mission, the Group expresses the common goal undertaken by its members and staff, helping to improve each production phase and the marketing of goods produced.

The Group aims to have and develop a trustful relationship with all stakeholders including shareholders, employees, suppliers and commercial partners, customers; the public administration (Customs Agency, Police Forces and other control authorities in the customs / fiscal field). It pursues such goal in full compliance with international trade laws, especially preventing illegal use of dual-use goods.

3. Scope of Application

The Code of Ethics rules apply to all Group companies, with no exceptions. Code of Ethics recipients are Group shareholders, directors, employees and collaborators, and all those who, directly or indirectly, permanently, occasionally or intermittently, establish or maintain commercial or sundry relations with it (hereinafter referred to as "Recipients").

This Code of Ethics is an integral, essential part for the correct management of relations with customers, suppliers and all personnel collaborating with the Group to create and market its products. The Hadron Group undertakes to disseminate the Code among all Recipients, making sure its contents are interpreted correctly, and providing useful instruments to facilitate, promote, check and monitor correct application, envisaging sanctions if there should be a breach.

Recipients are required to know Code provisions, to avoid unethical conduct and to promptly report any breaches to the managers, or the public authorities in any infringement of existing legislation.

Compliance with the Code of Ethics shall be regarded as an essential part of the contractual obligations of all employees pursuant to article 2104 of the Italian Civil Code.

In all relations, both contractual and not, all counterparts must be informed of the Code's ethical principles and must undertake to comply with them, under penalty of any relationship being stopped.

4. Guiding Principles

4.1 *Respecting the Rules*

The Group undertakes to rigorously comply with and respect laws and regulations in force - both national and international. For that purpose, the Group ensures that its products and processes fully comply with the legislation, regulations and European and international directives applicable, including those referred to the sale and marketing of dual-use goods.

More specifically, in order to avoid incurring in the dual-use "CATCH ALL and MORE" clause referred to in art. 4 et seq. of Regulation 821/2021, it will do all in its power to make sure each contract signed with foreign parties contains the relative safeguard clause.

4.2 *Respecting Human and Worker Rights*

Respecting internationally- acknowledged human rights is an innate, key element for the conduct of the Hadron Group.

The Group refuses any exploitation of labour guaranteeing suitable pay to all employees and acknowledges the workers' right to set up trade unions and representation. It repudiates child and forced labour, refusing any form of labour or service required of a worker threatened with punishment and not offered voluntarily by that worker.

In relations with its employees and, more generally, its stakeholders, the Group refuses any form of discrimination, including based on age, sex, sexuality, health, ethnic origin, nationality, political opinions and religious beliefs, promoting equity, diversity and inclusion.

4.3 Safeguarding Health and Safety

The Group undertakes to guarantee safe, healthy working conditions based on laws in force, eliminating dangers and reducing risks.

The Hadron Group acts in compliance with occupational safety laws, adopting all policies needed to prevent, identify and eliminate risks during the production process.

The Group involves collaborators in the continual improvement of workplace Safety, the prevention of injuries, professional diseases and environmental compliance.

4.4 Safeguarding and Respecting the Environment

Environmental safety and protection are an obligatory value for Group operations, and it is constantly aimed at preventing, minimising and mitigating the environmental impact generated by its activities and products, continually pursuing technological renewal of production processes in maximum respect for safety and the environment, also by ongoing research and reducing the use of energy and waste of any kind to a minimum.

The Group commitment to respecting the environment is evident from the fact that the raw materials used come from recycling and products produced are guaranteed for life as they are designed to resist for a long time and not be replaced.

The Hadron Group operates respecting nature and refusing any action or form of illegal commerce that could damage the environment, and promoting sustainable consumption.

4.5 Integrity

Integrity is a fundamental value and inspires Group activities. It represents the strongest guarantee of its civil commitment towards all those working with it (employees, collaborators, suppliers, customers and, generally, all stakeholders).

The Group refuses any breach of this principle and, for that purpose:

- discourages and blocks use of illegal methods such as corruption, even among private individuals, in the promotion and sale of its products, both within the European Union and in non-Union countries and, in general, for preferential treatment;
- forbids corporate bodies, management, employees, collaborators from trying to obtain and/or accept personal benefits and/or bribes to promote and sell products;
- does not get involved in matters linked to political parties nor does it allocate contributions of any kind to them;
- allows gestures of courtesy such as gifts or forms of hospitality, only if they are of a modest value and cannot prejudice the integrity of one of the parties and/or be considered as aimed at obtaining improper benefits. In any case, those expense types must always be suitably authorised and documented;
- forbids corporate bodies, management, employees, collaborators from trying and/or accepting, receiving and/or requesting gifts or preferential treatment that is not attributable to courtesy relations.

The Group repudiates any type of offence, to mention some of the most frequent, every form of fraud, money laundering, anti-competition practice and conflict of interest.

QUALITY – SAFETY – ENVIRONMENT – INTEGRATED MANAGEMENT SYSTEM

4.6 Confidentiality and Security of Information and Personal Data

The Group asks its personnel, at all levels, and its collaborators, for maximum confidentiality referred to any information, document and/or data they should gain knowledge of while performing and/or in connection with their jobs.

The Hadron Group also undertakes to guarantee maximum compliance with provisions in force on the protection of personal data of which it is the controller, by identifying precise responsibilities and the use of appropriate technologies and security systems.

4.7 Quality and Conformity of Products Supplied

The Hadron Group is committed to standing out in relations with customers by providing them with products that comply with International laws and meet the highest material quality standards. All materials used in the production of the Group's Italian companies in the site located in Mazzano are of Italian origin for all the main components.

The Group holds and monitors all stages of the supply chain in order to respect conditions set by the EU Customer Code, for both production aspects and those concerning the mere trading of goods produced by third parties. This is to ensure maximum compliance with international trade rules and regulations on dual-use and to fight against the proliferation of goods that contravene the principles of this Code of Ethics.

In the same way, the Hadron Group requires that goods produced by third parties/suppliers and traded by the Group itself meet the requirements of regulations on dual-use goods both in Europe and in any of the other markets where it conducts business.

For this reason, the Hadron Group conducts the most scrupulous controls on its suppliers to prevent conduct that could in any way damage its simple trade of goods and services.

4.8 Correctness in Contractual Relations

The Group operates in compliance with procedures to establish contractual relationships based on the best standards and to prevent to the extent possible violations of Regulation 821/2021 as amended and dual-use legislation.

The Hadron Group aims to maintain efficient, transparent control of all contractual relations stipulated, with both suppliers and customers; in order to prevent any conduct that is in contrast with this Code of Ethics. Contractual relations that are not transparent or are in contrast with provisions in this Code of Ethics are in no way part of the economic strategies adopted by the Group.

5. Rules of Conduct

5.1 Relations with Statutory and Top Management Bodies

In compliance with national, community and international trading rules in force, based on the principles and values inspiring this Code of Ethics, the Hadron Group orders that the members of its corporate bodies and top management pursue the objectives and interests of the Group, performing their activities with honesty, integrity, correctness, diligence and respect for people.

Corporate bodies and top management are obliged to respect the principles set forth in this Code of Ethics, actively contributing to disseminate them both in the Group, as per the organisational chart in force, and externally through publication on the company website or in ways deemed appropriate for the company mission.

5.2 Relations with Employees and Collaborators

The Group believes in the centrality of people and in continuous training to achieve customer satisfaction and results expected; guaranteeing each person the same growth opportunities and a fair treatment based on merit, with no discrimination.

For that purpose, the Group invests in human resource training, in several areas:

- technical skills;
- relational and organisational skills;
- trainer training.

In this way, the Group not only promotes expertise and technical skills, but also awareness that human resources are part of company success.

5.3 Relations with Customers

The Group has increasing customer satisfaction through the ongoing search for a service level that exceeds that of its competitors as one of its main objectives. For this, the Hadron Group undertakes to provide Customers with efficient, reliable solutions, respecting the environment and with rules that protect it.

Relations with Customers must be based on maximum reliability, competence, independence, professionalism, integrity, transparency, as well as respect for legality and the confidentiality of information acquired.

5.4 Relations with Suppliers

The Group undertakes to select its Suppliers impartially, independently and based integrity, quality and efficiency.

The Hadron Group strictly avoids coming into contact with parties implicated in illegal activities and/or without integrity and reliability; and it does not start relations with third parties performing activities that damage the environment, health, safety and/or are indifferent to a person's rights.

In order to establish transparent relations with Suppliers, the Group undertakes to stipulate contracts with them that are based on clarity, avoiding any form of mutual dependence, thus guaranteeing efficiency in the purchasing process.

5.5 Relations with Public Bodies and Authorities

The Group guarantees maximum transparency and collaboration in relations of any kind with Public Authorities.

Well aware of the potential problems related to the sale of goods subject to dual-use restrictions, the Group undertakes to offer the best, most ample co-operation to international trade control authorities, both Italian and foreign.

With complete diligence, the Group complies with the directives envisaged by the Authorities in charge of the market and competition. It does not deny, hide or delay any information required by those Authorities or by other bodies appointed to regulate the market. In order to avoid any conflict of interest and ensure maximum transparency, the Group undertakes to avoid entering into conflicting situations with regulations in force.

Tax / customs planning, as well as relations with the various government agencies responsible for the control and collection of taxes, are aimed at complying with the rules governing these activities. The Group undertakes to ensure that all personnel responsible for drafting tax / customs documents, including contracts, operate in accordance with the provisions of regulations on the prevention of tax and customs offences.

6. Communication and Training

The Code is brought to the attention of all Recipients, both internal and external, through specific communication activities.

The Code of Ethics is published on the website www.rubvalves.com.

A copy of the Code of Ethics, on paper or electronic media by e-mail, is always available to shareholders, directors, employees and all Group stakeholders.

7. Breaches of the Code of Ethics

The Group adopts the measures considered best suited to facilitate prompt reporting of any breach of the Code of Ethics, inspired by the whistleblowing principles and provisions in force.

Reports must be sent in a notification to the email address: stefania.marcozzi@gmail.com

Reports must be as detailed as possible and based on facts. Any reports based on hearsay or suspicions or excessively generic will not be examined.

When analysing the reports received, the Hadron Group undertakes to guarantee protection of the confidentiality of the reporting subject “whistleblower”, firmly forbidding any retaliation and/or discrimination against the latter.

In any ascertained breach of the Code of Ethics, as compliance with the Code constitutes an essential part of the contractual obligations assumed by employees and/or collaborators and/or all others acting in favour of the Group, the Hadron Group reserves the right to apply, to protect company interests and in accordance with the applicable law, suitable sanctions. These may also include termination of the contractual relationship and compensation for damages in conformity with the provisions of the agreements made with the various parties.

The Group reserves the right to take legal action against anyone who, with intent or gross negligence, makes accusations that are false and/or aimed at damaging the Group.

**This document refers to the Italian language version*