

October 14, 2021

CODE OF ETHICS

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BONOMI INDUSTRIES SRL and SHEDSTONE SRL are subject to management and coordination by HADRON SRL.

Rev. 1

1. INTRODUCTION

HADRON SRL, located in Via Padana Superiore, 25 - 25080 Mazzano (BS) Italy, FC/VAT: 03954880989, contact email address: info@hadron.it (hereinafter referred to as "HADRON Group" or "HADRON and its subsidiaries") manufactures products in full compliance with the European regulations in force and best practices on dual-use. Despite these efforts, single parts of these products could be used wrongfully.

For this reason, the present Code of Ethics has been adopted as an essential instrument to prevent the incorrect use of the goods produced or marketed by HADRON or any of its subsidiary companies.

Therefore, the Code of Ethics is of uppermost importance in reaffirming the already correct corporate conduct as well as regulating personnel behaviour involved in the promotion, marketing, shipping and sale of the products in compliance with the EU and international rules on dual-use.

The following document is to be considered as a guideline by all its recipients, as identified hereunder, and in a broad sense, governs relations with stakeholders (by stakeholders we mean all those legal entities that have a relevant relationship with HADRON and its subsidiary companies).

This Code of Ethics has been drawn up in accordance with the provisions of Legislative Decree 8/06/2001 N. 231 and shaped to prevent crimes of various nature on the basis of Regulation 821/2021 and subsequent amendments on dual-use.

2. MISSION - GUIDING VALUES

The following principles constitute the foundation of Hadron Group's mission and an extension of its core values:

- Exceed customer expectations and needs;
- Create value by providing cutting-edge products in full compliance with environmental efficiency and sustainability;
- Design innovative products that reduce energy and resource waste.

The above stated is achieved according to the following ethical standards:

- Honesty;
- Customer satisfaction;
- Continuous research and manufacturing of the highest quality products;
- A staff-satisfying behavioural model;
- Measure results through legally compliant profits;
- Work for the community.

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Through its mission, HADRON Group expresses the common goal undertaken to help improve every production phase and marketing of the goods involving both suppliers and buyers and in particular:

- Partners;
- Employees;
- Suppliers and commercial partners;
- Customers;
- The public administration (Customs Agency, Police Force and other control authorities in the customs / fiscal field).

HADRON aims to keep and develop a relationship of trust with all its stakeholders in full compliance with international trade laws and dual-use regulations.

3. SCOPE OF APPLICATION

This Code of Ethics applies to the entire HADRON Group, including all its shareholders, directors, employees and collaborators, and all those who, directly or indirectly, permanently or occasionally, maintain relations with it (collectively referred to as “Recipients”)

This Code of Ethics constitutes integral and fundamental part for the correct management of relations with customers, suppliers and all those who entertain business relations with HADRON Group. HADRON undertakes to promote knowledge of the Code among the recipients ensuring its correct interpretation and application, overseeing and monitoring its implementation and providing for sanctions in the event of its violation.

Recipients are required to be aware of the provisions of this Code, to avoid unethical behaviour and to promptly report any violations to the managers, or the public authorities, in the case of dual-use or infringement of existing legislation in Italy.

Compliance with the Code of Ethics shall be regarded as an essential part of the contract obligations undertaken by employees pursuant article 2104 of the Italian Civil Code

HADRON relies on external professionals to periodically check up on stakeholders’ compliance with the provisions contained in this Code and dual-use regulations.

Breaches of this Code by employees shall be subjected to disciplinary sanctions, suspended and referred to the designated authorities in conformity with outstanding legislation.

The Group also expects that all counterparties – duly informed– behave in a manner that complies with the principle contained in this Code of Ethics. Different conduct may be considered cause for the termination of any relationship, both contractual and non-contractual.

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3.1 STATUTORY AND APICAL BODIES

Managers and board members must pursue the objectives and interests of HADRON and its subsidiaries with honesty, integrity, correctness, diligence and respect for people in compliance with the National, European, and international trade regulations in force as well as the guiding principles and values that inspire this Code of Ethics.

Top managers and board members are therefore required to comply with the principles set out in art. 4 of this Code of Ethics and undertake to disclose and disseminate them both within the Group, as per the organizational chart attached to the Internal Organizational Model, and externally either through the company website or any other appropriate form of communication in line with HADRON mission.

4. GUIDING PRINCIPLES

HADRON Group abide by the following guiding principles:

Compliance with European and international standards in the sale and marketing of goods including dual-use products;

Correct and complete classification of contracts with suppliers and buyers both from the European Union and outside;

Maximum transparency and collaboration with public authorities;

No involvement with political activities;

Safe and healthy working conditions in compliance with current legislation;

HADRON and its shareholders do not provide, seek or accept personal benefits;

HADRON and its shareholders do not provide, seek or accept bribes for the promotion and sale of its products;

HADRON and its shareholders are committed to providing efficient and reliable solutions for its customers with full respect for the environment and the laws governing its protection;

HADRON and its shareholders do not maintain contractual relationships that are not transparent and in contrast with any provision of this Code of Ethics or the strategies adopted;

All economic strategies and consequent contractual relationships resulting from them will be based on this Code of Ethics;

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. HADRON undertakes

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to ensure that all personnel responsible for drafting tax / customs documents, including contracts, operate in accordance with the provisions of the regulations on the prevention of tax and customs offenses.

HADRON undertakes to condemn and fight against all forms of child labour, slavery, arms and explosives production and to pay attention and monitor with particular emphasis all corporate processes involving international trade as provided for by Legislative Decree N.221/2017. The Group counters all forms of terrorism and condemns all actions that support it in compliance with the decisions taken by international bodies.

The above principles will be implemented by the Group's personnel in accordance with dual-use regulations.

5. GUIDING PRINCIPLES IN DETAIL

The following paragraph sets out in more detail what expressed in paragraph n.4

5.1 COMPLIANCE

HADRON is committed to include a safeguard clause in every contract signed with foreign parties to avoid incurring in "The EU's Dual-Use Catch-All Clause" referred to in Article 4 and following of Regulation (EC) No 821/2021.

5.2 CONTRACT CLASSIFICATION

HADRON Group seeks to establish contractual relationships according to the best standards and to prevent to the extent possible violations of Regulation (EC) No 821/2021 and subsequent amendments and dual-use legislation in Italy.

5.3 COOPERATION

HADRON Group is aware of the potential problems related to the sale of goods subject to dual-use restrictions and lends its full cooperation to international trade control authorities, both Italian and foreign.

5.4 PUBLIC ACTIVITY

HADRON Group does not involve in political matters and does not make contributions of any kind or any form to political parties.

5.5 SECURITY

HADRON Group guarantees safe and healthy working conditions to all of its employees. The Group acts in compliance with workplace safety laws and implements all the necessary policies aimed at identifying, preventing and eliminating risks throughout the production process.

5.6 SOCIAL RESPONSIBILITY

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HADRON operates in full respect of nature and refuses any unlawful trade or action that could damage the environment. Hadron manufactures products that can increase efficiency in the food and energy industry with reduced waste or loss of natural resources vital for all living beings.

5.7 PROMOTION AND SALE

HADRON Group does not approve or allow any form of illegal conduct, such as corruption, even among private individuals, in the promotion and sale of its products both within the European Union and abroad.

5.8 RELATIONSHIP WITH CUSTOMERS

HADRON Group is committed to provide its customers with products that comply with European laws and meet the highest quality standards. All materials used in its production site located in Mazzano are of Italian origin.

HADRON monitors and manages its supply chain in accordance with the provisions defined by the EU Customs Code in terms of production and trade of goods. 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 and its Organization, Management and Control Model.

The goods produced by third parties/suppliers and traded by HADRON meet the requirements on dual-use both in Europe and in any of the other markets where HADRON conducts business.

For this reason, HADRON carries out the most scrupulous controls on its suppliers to ensure the absence of inadequate behaviours that could damage in any way the trade of these goods and services.

5.9 CONTRACTUAL RELATIONSHIPS

HADRON manages its contractual relations with both suppliers and customers in an efficient and transparent manner and prevents any sort of behaviour that is in contrast with this Code of Ethics.

5.10 ECONOMIC STRATEGY

HADRON undertakes to implement all necessary measures in order to prevent misconducts such as any form of terrorism financing, as per Legislative Decree 109/2007 implementing Directive 2005/60/EC. In particular, suppliers and customers of Hadron Group are especially required to respect this Code of Ethics and avoid such illegal activities.

6. RELATIONSHIP WITH THE AUTHORITIES

HADRON fully complies with the directives provided by the market and competition control Authorities and supplies without delay or deviation any information requested by them or any other market authority. In order to avoid any conflict of interest and ensure maximum transparency, HADRON undertakes to avoid incurring in conflicting situation with the aforementioned authorities.

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7. IMPLEMENTATION

Shareholders, directors, employees, collaborators or any other party acting in favour of HADRON Group are required to know this Code of Ethics as well as the standards regulating their activity.

The Code of Ethics is binding for each and every shareholder, director, employee and collaborator that must explicitly adhere and commit to all its parts and versions at the beginning of the work relationship.

In particular, employees/collaborators are required to:

Avoid behaviours contrary to the standards set forth in the Code of Ethics;

Immediately inform managers, company representatives or public authorities of acts contrary to this Code of Ethics;

Ensure compliance in the performance of their duties and responsibilities;

Adopt internal and, if within their competence, external measures in the event of non-fulfilment of the obligations of the Code of Ethics by third parties.

8. COMMUNICATION AND TRAINING

The Code is brought to the attention of all interested parties, both internal and external, through specific communication efforts. The Code is published on the website www.rubvalves.com and an electronic or paper copy is distributed to the shareholders, directors, employees, and all stakeholders of HADRON Group.

9. VIOLATIONS

Compliance with the Code of Ethics constitutes an essential part of the contractual obligations assumed by employees, collaborators and all others acting in favour of Hadron Group.

Substantiated violations of the principles set out in the Code may result in sanctions aimed at protecting the interests of the Group in accordance with the applicable law. This 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.

All interested parties may report, in writing and anonymously, any violation or suspected violation of the Code of Ethics to the administration or alternatively to the relevant public authorities.

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