

VALVITAL S.p.A.

CODE OF ETHICS

Approved by the Board of Directors on 22 July 2014

TABLE OF CONTENTS

1. Introduction - Social Activities	p. 4
2. Introduction, Objectives and Recipients	p. 5
2.1 Objectives	
2.2 Recipients	
3. General Ethical Principles	p. 6
4. Human Resources	p. 8
5. Occupational safety and health	p. 9
6. Duties of Employees	p. 10
7. Conflicts of Interest	p. 11
8. Use of Corporate Assets and Information Systems	p. 12
9. Confidentiality and Privacy	p. 13
10. Rules of Conduct in Relation to the Market and Shareholders	p. 13
10.1 Corporate Governance	
10.2 Information Transparency and Accessibility	
10.3 External Communications	
10.4 Management of Privileged Information and Prohibition of Abuse and Market Manipulation	

11. Corporate Administration	p. 14
12. Institutional Relations	p. 15
13. Gifts and Contributions	p. 16
14. Suppliers	p. 17
15. Customers	p. 17
16. Marketing Policy	p. 18
17. Community	p. 19
18. International Activities	p. 19
19. Environmental Protection	p. 20
20. Media Relations	p. 20
21. Holding Public Office	p. 20
22. Compliance with the Code of Ethics	p. 21
23. Diffusing and Updating the Code of Ethics	p. 22
24. Feedback and Questions	p. 22

Legend:

- Prohibitions
- ❖ Lists
- ❖ Obligations

1. INTRODUCTION - SOCIAL ACTIVITY

Valvital S.p.A. was founded in 1971 by Pier Giorgio Pellegrini together with his father Gino Pellegrini. Today, the company specializes in hot pressing processes, adopting the ISO TS 16949 production quality certification for the automotive industry, and ISO 14001 certification for environmental management.

Valvital S.p.A. production facilities include forging and moulding installations, as well as general mechanical metal processing systems. We manufacture drive shafts up to 330mm in diameter, providing a wide range of products for the automotive industry, particularly with regard to industrial agricultural machinery, trucks and earthmoving tractors. The current production machinery - 80% upgraded - includes Mori Seiki horizontal machining lathes and machining centres, Pfauter grinding and hobbing machines, and other Grob rolling machines. Quality control is performed using three-dimensional measuring machines, which include a "Zeiss Contura G2" machine, Zeiss electron microscope and MITUTOYO measuring and control machinery.

The company's headquarters is located in Agliè (TO) Via Circonvallazione 7, extending over a surface of thirty-two thousand square meters, including a covered production area of approximately 7000 square meters, with 73 employees working on six hot stamping production lines; the most recent two lines are fully robotized, having entered into production in July 2008 and early 2011.

The production cycle begins with an initial bar cutting phase for the material used, arriving at a finished product that is ready for assembly, with the exception of heat treatment processes, which are outsourced to certified industry specialists.

Production is divided into two groups: from the raw material to the finished design, ready for the first assembly stage.

The first group includes drive shafts, transmission input shafts, bevel pinions trees and modelled shafts.

The second group includes axle shafts, flanged shafts and lift shafts, etc.

Valvital S.p.A. exports well over 90% of its production output abroad; in particular, to Germany, Austria, France, Finland, Sweden, Hungary, Belgium and Mexico.

2. INTRODUCTION. OBJECTIVES AND RECIPIENTS

2.1 Objectives

The Board of Directors of Valvital SpA (hereinafter referred to as the "Company") has adopted this Code of Ethics, which reflects the Company's commitment to:

- ❖ provide guidelines for the resources that work within the Company, and to allow the Company to help them recognize and deal with ethical issues;
- ❖ contribute to maintaining a culture of integrity, honesty and responsibility within the company;
- ❖ reveal the Company's position with respect to the Recipients of the Code of Ethics;
- ❖ maintain a focus on the risk management areas.

As an expression of an autonomous form of adherence to the values of ethics and honesty in managing its business, Valvital SpA has decided to identify and set out additional principles of conduct which are included in this Code of Ethics; these principles are structured and intended as an integral part of the Organization, Management and Control Model, pursuant to Legislative Decree 231/01 and of the overall internal control system.

It contains all of the rights, duties and responsibilities of stakeholders, whether internal or external to the Company, in addition to and regardless of regulatory provisions.

2.2 Recipients

All the ethical principles, values and rules of conduct set out in this Code of Ethics shall guide the activities of all those involved, both internally and externally, within the Company's sphere of action (hereinafter referred to as the "Recipients").

The Recipients of this Code of Ethics are:

- ❖ the members of the Management Body;
- ❖ the members of the Board of Statutory Auditors;
- ❖ the members of other control bodies established either by the law or voluntarily;
- ❖ the Company's employees;

- ❖ external collaborators: i.e. any person whose work is associated with Valvital SpA. The collaborators include external consultants, self-employed persons the Company avails itself of, the Company's suppliers and customers, business partners and shareholders.

All recipients are required to observe and - within their area of responsibility- have other stakeholders observe the principles contained herein.

Under no circumstances a claim to act on behalf of the Company shall justify the adoption of behaviour contrary to the one set out herein, and in general, to the laws, regulations and provisions in force.

The Code of Ethics also applies to the Company's activities abroad.

In the pursuit of corporate objectives and in all dealings with people and organizations inside and outside the Company, the Recipients shall behave observing the fundamental principles of honesty, integrity, fairness, transparency and objectivity, and the personality and professionalism of each individual.

Accordingly, the Company reserves the right not to undertake or pursue any kind of relationship with any person adopting a behaviour which differs from the one set out herein.

3. General Ethical Principles

The purpose of this Code of Ethics is to make explicit the ethical values of Valvital SpA, considered essential for the exercise of any business.

- ❖ *Principle of legality*

Recipients are required to comply with the law, regulations and acts equivalent thereto.

This principle is also valid with regard to the law of any country with which the Company does business.

Recipients are also required to comply with company regulations issued by the Company, in consideration of the fact that they have the express purpose of enabling on-going compliance with provisions of law and regulations.

❖ *Propriety*

Recipients are required to observe the rules of professional conduct, with particular reference to duties of diligence and skill, applicable to all operations carried out on behalf of the Company.

❖ *Integrity and transparency*

All activities carried out on behalf of Valvital SpA comply with the principles of integrity and transparency, and are conducted with honesty and a sense of responsibility, fairness, and in good faith. The Company undertakes to guarantee correctness, completeness, accuracy, consistency and promptness in the management and communication of corporate information, avoiding any misleading behaviour which could lead to unfair advantages.

Constant attention to the needs of customers is the premise and basis of the Company's policy, applied with the utmost transparency and excellence in quality. Loyalty to customers and their recognition and trust exercised toward the Company are at the core of long-term business relations.

Behaviour within the company is based on mutual trust between colleagues, on full transparency and availability toward the Company and all interested parties with whom the Company has dealings on a daily basis.

❖ *Respect and Responsibility*

Based on the concept of equality, human resources are enhanced through their personal and professional performance.

The Company shall endeavour to avoid any discrimination in the regulation of employment relationships, as of the moment of hiring. The primary objective of corporate strategy in matters related to employment is to establish lasting bonds over time, inspired by the principles of professional development and recognition of merit.

The freedom of association, including the effective exercise of negotiating rights, is guaranteed.

The protection of human health and the environment are at the core of the Company's policy; production installations are managed by a sustainable use of resources; improvements regarding the environmental impact are pursued in any form, particularly

through the elimination of waste and adopting proper proper waste management processes.

❖ *Research and innovation*

The Company's objective is to create unique services through innovative research and production processes, making use of internal technologies.

4. Human Resources

Valvital SpA protects and promotes the value and development of human resources, encouraging their full professional development based on merits.

The Company offers equal employment opportunities and career advancement for all employees on the basis of specific professional qualifications and performance capabilities, without any discrimination, as the Company's management selects, hires and manages employees on the basis of competence and merit without any discrimination regarding race, religious creed, sex, age or ancestry, in compliance with the laws and regulations in force.

No form of illegal employment shall be tolerated, including, besides the mere absence of working relationship regularization, any use of work which is not agreed upon in a contractual and regulatory framework coherent with that of the country of reference.

Employment, transfer or promotional practices shall not in any way be influenced by offers or promises of money, goods, benefits, facilities or services of any kind.

Upon establishing an employment relationship, each employee must receive accurate information about: professional duties and characteristics, responsibilities inherent to their role and tasks to be performed; disciplinary and legal provisions, contractual or regulatory developments; regulations and wage related aspects, rules and procedures to be adopted in order to avoid a behaviour that is contrary to the law and company policies.

In managing relations involving the establishment of hierarchical relations, the Company requires that the authority be exercised with fairness and honesty, prohibiting any behaviour that could be detrimental to the dignity and autonomy of employees.

The privacy of employees shall be protected in accordance with Leg. Decree no. 196/2003.

Administrative departments within the Company assigned to the management of personnel shall ensure that the work environment is suitable from a safety standpoint, and for occupational health and security, free from any prejudice, and that all individuals are treated with respect, without intimidation, and in compliance with their moral personality, avoiding illicit conditions influence and undeserved discomfort.

All Employees and Partners of Valvital SpA shall avoid offensive behaviour toward colleagues and, in particular, attitudes that might discredit or marginalize them in the workplace.

All Employees and Partners of the Company shall also have a respectful behaviour toward corporate assets, avoiding using them for reasons unrelated to their job duties.

The dissemination of corporate information to employees shall be adequate, correct and complete.

5. Occupational health and safety

Valvital SpA undertakes to follow the objectives set out to improve the safety and health of workers as an integral part of its business and strategic efforts, with respect to the Company's more general objectives.

For this purpose, the Company undertakes to:

- ✓ comply with all the laws and regulations regarding the occupational health and safety, including the procedures and regulations referred to in the Management System, concerning Safety adopted by the Company;
- ✓ clearly define the roles and responsibilities for occupational health and safety, at all levels;
- ✓ continuously improve the management and performance of aspects relating to occupational health and safety in the workplace in order to prevent accidents and occupational diseases;
- ✓ inform, educate and train the workers and employees of outsourced companies or the Company's external collaborators, to conduct all of their respective tasks in safety;

- ✓ conduct periodic audits on the compliance of business processes with the laws, regulations and safety procedures, promptly implementing any corrective actions and/or improvements;
- ✓ implement, for continuous improvement, procedures to identify and minimize hazards and risks to health and safety in the workplace;
- ✓ promote principles and good practices for the protection of health and safety in the workplace, encouraging open communication with employees, authorities, suppliers, contractors, customers and other stakeholders.

The Company believes that its commitment to occupational safety and health of workers is essential and, therefore, relies on the cooperation of all participants, in order to correctly manage all its activities and processes.

Personnel must care for their own health and safety, as well as that of other people in the workplace affected by their actions or omissions, in accordance with the trainings, instructions and equipment provided by the employer.

For this reason, the use of drugs, abuse of alcohol or consumption of illegal substances shall not be tolerated in the workplace.

6. Duties of Employees

The Code of Ethics acts as a guide for employees, as part of their work duties, imposing specific obligations for individual Recipients.

Each employee must understand and respect the ethical responsibilities set out in this Code.

Employees who have doubts about their responsibilities are urged to seek the assistance of their immediate superior or the CEO.

Each employee must warn colleagues whose actions are in contradiction with this Code of Ethics. If the apparent violation persists, it shall be reported in accordance with the provisions of the Code, as provided in the section "Feedback and Questions."

Each Recipient shall avoid situations that may, even if only apparently, appear to be non-compliant with this Code of Ethics.

The Company shall not tolerate conduct in violation of the Code of Ethics, or which appears to be non-compliant.

The Company's financial books, administrative and contractual documentation, attendance cards, notes for the reimbursement of costs and down payments, budget sheets, records and financial statements must be carefully managed and maintained in order to be easily audited or monitored.

The Company shall not justify any modification of the aforementioned books and documents.

All employees who, due to their duties, are required to fill in attendance cards or other statements proving their working hours, shall verify that such documents are drawn up with precision and regularity.

7. Conflicts of Interest

Conflicts of interest should be avoided when conducting any activity.

No employee can have a relation of employment with a competitor, customer, supplier or other company or entity, from which obligations that are not compatible or coherent with the interests of Valvital SpA may arise, unless specifically authorized by a resolution of the Board of Directors.

Employees are forbidden to perform other work duties during working hours.

Each employee shall avoid any significant financial interests from competitors, suppliers and customers of Valvital SpA, without previously informing the Chairman of the Board of Directors and the Company's Managing Director.

In the event that Valvital SpA is involved in a commercial transaction with a third party to which an employee is bound by kinship or economic ties, the latter should immediately report the situation in writing to the Chairman of the Board and the Company's Chief Executive Officer.

It is assumed that the interest of an employee exists in the following cases:

- ❖ equity shares, partnership, ownership or possession of shares, share capital, equity securities, bonds, debt securities, loans;
- ❖ brokerage, mediation or consulting relations;
- ❖ official positions;
- ❖ loans;
- ❖ co-ownership of real estate or movable property.

In any case, any conflict of interest affecting an employee's conduct and freedom of judgement shall be notified by the employee to the Chairman of the Board and Chief Executive Officer. The Employee shall also refrain from taking any decision during a conflict of interest.

8. Use of Corporate Assets and Information Systems

Documents, work tools, installations, equipment and other assets, both tangible and intangible, owned by Valvital SpA are used exclusively for the implementation of corporate purposes, in the manner set out by the Company; such elements cannot be used for illegitimate purposes, and must be handled and stored with the same diligence as one's own belongings.

Any unlawful use is punishable, including by disciplinary measures, whether or not they constitute criminal behaviour punishable under the law.

Information systems and computers (e.g. telephones and fax machines, email, internet, intranet, and in general the hardware and software provided by the Company) are working tools made available to personnel and, therefore, shall be used exclusively for business purposes; this shall also apply to the use of personal computers and other tools, programs and services.

In particular, personnel are prohibited from:

- unauthorized access to computers or telecommunications systems;
- unauthorized holding of or disclosure of access codes to computers or telecommunications systems;
- the distribution of equipment, devices or programs designed to damage or disrupt computers or telecommunications systems;
- the interception, prevention or interruption of illicit communications or telecommunications;
- causing damage to information, computer programs and data, and computer and electronic systems.

Employees are forbidden to load onto the Company's information systems any software that has been borrowed, is unauthorized or for which the necessary licenses do not exist; employees are also forbidden to make unauthorized copies of licensed programs, both for personal and company use, or for third parties.

9. Confidentiality and Privacy

The information which is not included in the public domain - related to activities on which an Administrator, member of a management body, Employee or Partner possesses knowledge due to their position - are the exclusive property of Valvital S.p.A., and can be used exclusively for conducting the Company's business operations. Administrators, members of management bodies, Employees or Partners shall take every precaution to avoid unnecessary disclosure of such information, unless expressly authorized.

The information held by the Company shall be treated complying with the privacy of the persons concerned. To this end, specific policies and procedures regarding such data are applied and constantly updated.

10. Rules of Conduct in Relation to the Market and Shareholders

10.1 Corporate Governance

The Company has adopted the traditional administrative and management system, in which the Company's management functions, as exercised by the Board of Directors, are separated from the auditing functions exercised by the Statutory Auditors.

The Company runs its operations to constantly increase the value of the shareholders' investment, managing the company's assets based on professionalism, diligence and caution, as imposed from time to time and necessary for the fulfilment of market conditions and legal constraints.

The Company ensures compliance with the rules applicable in relation with the related parties.

10.2 Information Transparency and Accessibility

The Company undertakes to provide correct and complete information to the shareholders in a timely and transparent manner.

The Company makes available company documents by safekeeping them in the Registrar of Companies in accordance with the law.

10.3 External Communications

Relationships with the financial community, investors and the media remain the sole domain of the corporate bodies and appointed authorities, and shall be applied in accordance with the procedures adopted by the Company.

Therefore, recipients may not provide information to representatives of the media without the consent of the corporate bodies and appointed authorities.

In any case, information and communications regarding the Company which are to be made public shall be accurate, truthful, complete, transparent and coherent.

In this regard, see also the subsequent section 17.

11. Corporate Administration

Generally speaking, an ethical, transparent and collaborative behaviour is mandatory, in compliance with the law and internal procedures in all activities relating to the compilation of financial statements and other corporate communications, in order to provide to the Company's partners and the general public truthful and correct information on the Company's economic and financial position.

Each and every operation or transaction must be verifiable and legitimate.

All persons who, for whatever reason, are involved in the compilation of financial statements, are required to comply with the rules and ensure that the budget is drawn up clearly and represents a true and fair view of the Company's assets and financial situation, and its operations.

It is forbidden to prevent or otherwise hinder monitoring activities legally attributed to shareholders or other corporate bodies.

It is forbidden to engage in simulated or fraudulent conduct in order to influence the assembly to procure an unjust profit for oneself or for others.

All Recipients must provide their fullest and timely cooperation to all auditing bodies, both within and outside the Company, in order to allow them to best perform their duties.

All Recipients are required to strictly observe the "Organizational Model," the latter being adopted pursuant to art. 6 of Legislative Decree no. 231/01.

12. Institutional Relations

Relations with Public Administration and Public Institutions (including but not limited to: Ministries and their local offices, public authorities, public bodies and companies working in the public services sector, competition and market authorities, authorities for the protection of personal data, revenue and customs agencies) shall be managed by the Company's legal representatives within the limits of their conferred powers, as well as by persons delegated by them, in accordance with the provisions of this Code of Ethics, as well as the Articles of Association and the provisions of the law, with particular regard to the principles of fairness, transparency and efficiency.

In particular, but not limited to:

- offers or promises of money, gifts or compensation, in any form, are not allowed, either directly or indirectly, or through a third person, and it is forbidden to exert undue pressure or promise any object, service, benefit or favour to directors, public service officers or government employees or entities, or to their relatives or partners;
- it is forbidden to adopt a behaviour that deliberately attempts to mislead public administration authorities; in particular, it is forbidden to use or submit false statements or documents certifying to things that are not true, or to omit information in order to achieve, for the benefit or on behalf of the Company, contributions, loans or other payments under any name granted by the state, a public body or the European Union;
- it is forbidden to use grants, loans or other payments however named, granted by the state, a public entity or by the European Union for purposes other than those for which they have been assigned;
- in the case of business relations with public administration, including participation in public tenders, interested parties must always operate within the law and good business practices;
- it is forbidden to alter the operation of an information system or computer belonging to a public body in any way, or act unlawfully in any manner upon the data, information and programs contained therein or relevant thereto, in order to achieve unjust profits to the detriment of others.

The proper administration of the Civil Service, in particular the judicial system, is also guaranteed by the prohibition, imposed on all parties required to comply with this Code

of Ethics, to engage, whether directly or indirectly, in any illegal actions that may favour or damage one of the parties in a civil, criminal or administrative proceeding.

In particular, it is forbidden to engage in undue pressure (offers or promises of money or other benefits) or unlawful coercion (violence or threats) in order to force persons called to give statements before the judicial authorities which can be used in criminal or civil proceedings not to make statements, or to make false statements.

13. Gifts and Contributions

The Company's Administrators and Employees shall not seek for themselves or for others, nor accept gifts or other benefits, except for those of modest value, from customers, suppliers, contractors, competitors or other companies interested in the supply and procurement business.

The Administrators and Employees shall not accept for personal use, nor hold or benefit personally from, any benefits due to the purchaser Valvital SpA, in relation to the purchase of goods or services.

The Administrators, employees and consultants of Valvital SpA receiving gifts or benefits, except those of modest value, are required to give notice to the Supervisory Board, if established, which will assess their appropriateness.

The Company will not tolerate any donations in any form or of any value to public entities, public officials or public service appointees in some way related to them, except for gifts of modest value established in business practices and falling within normal courtesy and in compliance with the Presidential Decree no. 62 of 16 April 2013, regarding the code of conduct for public employees, implemented by Law no. 190/2012, as well as with the laws and regulations in force *pro-tempore*.

The Company shall not make direct or indirect contributions to political parties or movements, committees, political organizations and trade unions, or their representatives, or support them in any way.

14. Suppliers

Procurement processes are based on a search for maximum competitive advantage for the Company, equal opportunities for all suppliers, as well as loyalty and impartiality.

In particular, Employees of Valvital SpA shall not preclude anyone with the necessary requirements from the opportunity to compete for a contract, adopting objective and documented criteria in the selection of candidates.

All Employees are required to maintain stable, transparent and cooperative relationships with suppliers.

It is absolutely forbidden for the Company's administrators, employees or consultants to offer money or other benefits to the directors, general managers and administrators in charge of corporate accounting documents, auditors, liquidators and legal representatives of supplier companies, in order to carry out or omit acts in violation of the obligations applicable to their responsibilities or duties of loyalty, and resulting in the detriment of the supplier company.

The Company's suppliers should not be involved in illegal activities and must ensure that their employees are provided with working conditions based on a respect for fundamental human rights, international conventions and the laws in force in Italy and abroad.

The Company strongly encourages its suppliers to refrain from offering goods or services, in particular in the form of gifts, to the management, employees and consultants which exceed normal standards of courtesy, and prohibits its own management, employees and consultants to offer goods or services to the personnel of other companies or organizations with the aim of obtaining confidential information, or direct or indirect benefits relevant to themselves or to the Company.

Should the principles of legality, fairness, transparency, confidentiality and respect for personal dignity be violated, Valvital SpA is authorized to take appropriate action until the termination of the relationship with the supplier.

15. Customers

Professional behaviour, expertise, courtesy, respect and fairness are the guiding principles and style of conduct shall be complied with in dealing with customers.

The terms and quality of the planned and supplied customer services shall comply with the contractual obligations concluded with them.

It is imperative that customer relations be marked by full transparency and fairness, the rule of law and independence against any form of conditioning, whether internal or external.

Customer contracts and communications must be:

- ✓ clear and simple;
- ✓ comply with the regulations in force, without resorting to elusive or incorrect practices;
- ✓ comply with corporate trade policies and the parameters defined within them;
- ✓ complete so as not to overlook any evidence relevant to the customer's decision.

Furthermore, the basis of a long lasting relationship that will inspire confidence is communication which allows the customer to always be in a position to understand the value of all services being offered and rendered by the Company.

As such, the Company facilitates the comprehensibility of contracts by providing clear and comprehensive information, and promptly reports any amendment of the contract and its conditions.

16. Marketing Policy

A proper and suitable marketing policy emphasizes the merits of the Company's products and services, and aims to provide complete and accurate information that will enable customers to make informed decisions.

Marketing policies shall not be structured to induce employees or representatives of the Valvital SpA customers to put their personal interests above those of the companies or organizations they represent.

Recipients must only use methods coherent with the principles set out in this Code of Ethics to support the services proposed by Valvital SpA and to allow the market's expansion.

It is the Company's responsibility to submit realistic proposals regarding performance, costs and scheduling.

All of the Company's advertising must be truthful, not misleading and totally compliant with applicable laws, regulations and Company policies.

All advertising and marketing materials must be approved in accordance with procedures established within the Company.

17. Community

Valvital SpA and its management, employees, members of the Auditing Boards and partners are strongly committed to behaving in a socially responsible manner, complying with the values of a healthy and safe workplace and protecting the environment, whilst respecting the cultures and traditions of the place in which it operates.

Whenever an opportune moment arises, the Company provides support and collaborates with social and cultural initiatives promoted by the Community in which it operates.

In accordance with the fundamental conventions of the International Labour Organization (ILO), Valvital SpA does not employ child labour, i.e. it does not employ people under the legal working age as established by the laws of the place in which the work is being carried out and, in any case, under the age of fifteen years, subject to the exceptions expressly provided for in international conventions and possibly by local laws.

Valvital SpA also undertakes not to establish business relationships with suppliers that employ child labour, as defined above.

18. International Activities

Care should be given to the identification and adaptation of differences between international markets.

A company that operates internationally inevitably encounters laws that vary greatly from those of its own country. Customs and traditions related to local commercial and social relations may, therefore, vary from place to place.

In any case, the employees of Valvital SpA, in case they work with companies from countries with different social ethics and standards from those described in this Code, shall comply with the rules of conduct described in the Company's Code of Ethics, but without prejudice to the more restrictive local laws.

19. Environmental Protection

Valvital SpA is committed to the continued improvement of its environmental performance, developing more sustainable products and processes.

Furthermore, the Company has established as an indispensable condition for the existence of its production, the fulfilment and compliance with all applicable laws and

regulations regarding industrial activities, in order to integrate its own headquarters as much as possible in the territory, causing the least amount of disruption to the Community.

This orientation finds an objective confirmation both in a binding commitment to comply with the regulations, and in the decision to voluntarily pursue the system certifications ISO 9001: 2008 and ISO 14001: 2004).

20. Media Relations

Valvital SpA works with the press and mass media, solely through its delegated corporate bodies and corporate functions. These relations must be based on principles of fairness, transparency and propriety, in accordance with the communication policy established by the Company.

An employee may be asked questions by representatives of the media. Unless replies to such requests fall within the employee's specific responsibilities, the employee must direct all representatives of the media to the Chairman of the Board of Directors of Valvital SpA.

Information and notifications regarding the Company should be accurate, complete, truthful, transparent and consistent.

21. Holding Public Office

All employees must inform the Company's Chairman of the Board of Directors and receive its approval before submitting their nomination for an elected office, and before accepting an appointment to a public or administrative office.

The Company has the right to take necessary actions in order to make sure that an application for an elected or appointed position to public office does not generate conflicts of interest.

In general, the management and employees of Valvital SpA can compete for the assignment of a public office, whether local or national, elective or appointive, if the activity, including its campaign:

- ❖ takes place outside of working hours;
- ❖ does not imply the use of the Company's name, facilities, list of customers, assets or funds;

- ❖ the employee acts solely as a private citizen and not as a representative of the Company;
- ❖ the employee's activity does not present or involve a conflict of interest, real or apparent, to the Company.

22. Compliance with the Code of Ethics

Through internal monitoring procedures, Valvital SpA makes sure certain social activities are conducted in compliance with the internal and external regulations that govern them. Such monitoring consists of a set of behavioural rules, procedures and methodologies that help counteract any errors, fraud and risk factors of crime or tort in the performance of business.

The observance of this Code by the management, employees, members of the Company's supervisory bodies and partners, and their commitment to comply with general duties of loyalty, fairness and performance of the contract - whether self-employed or as employees - in good faith should be considered an essential part of the contractual obligations, including under and for the purposes of art. 2104 of the Civil Code.

Any violation of the Code of Ethics shall entail disciplinary sanctions as provided for by the current National Collective Labour Agreement of the sector, depending on the gravity of the violation and possible criminal and civil actions.

In case of violations of the Code of Ethics by one or more members of the Company's Board of Directors, or by the members of the Board of Auditors, the Supervisory Board - if established - shall inform the entire Board of Directors and Board of Auditors, who shall take appropriate measures coherent with the seriousness of the misconduct and in accordance with the powers granted by law and/or Articles of Association.

The Supervisory Board is responsible for monitoring and ensuring that the Code of Ethics is observed by all Recipients and is in accordance with the current legislation.

Compliance with the Code of Ethics by third party Recipients (suppliers, consultants, etc.) integrates the obligation to fulfil the duties of diligence and good faith in the negotiations and in the execution of contracts with the Company.

Any violation of this Code of Ethics damages the relationship of trust established by the Company and may lead to disciplinary action and compensations of damages.

23. Diffusing and Updating the Code of Ethics

Valvital SpA undertakes to promote and ensure adequate knowledge of the Code of Ethics, disseminating it to the Recipients through appropriate and effective communication and information activities.

This Code of Ethics is posted on the Company's website.

The Company will also update the contents of the Code of Ethics if the requirements of a changing context, relevant legislation or corporate organization render it appropriate and necessary.

The Board of Directors of the Company shall be responsible for any changes and/or integration of this Code of Ethics.

24. Feedback and Questions

Recipients of this Code of Ethics are required to inform, in writing, the Chairman of the Board of Directors, the Chairman of the Supervisory Board and the Chairman of the Board of Auditors of possible violations, even if only potential, to this Code of Ethics.

In any case, Valvital SpA undertakes, with the cooperation of the Supervisory Board, to ensure that those who have submitted reports are not subject to retaliation, discrimination or penalties, thus ensuring appropriate confidentiality for such persons (unless there is a legal obligation that requires a different treatment).

Anonymous reports are not allowed.

Reports which prove to be unfounded will be subject to sanctions.