

ORGANISATION, MANAGEMENT AND CONTROL MODEL

pursuant to Legislative Decree 231/2001

MANN+HUMMEL

WATER & FLUID SOLUTIONS S.P.A.

Registered office: Via della Pineta, n. 23, Fano (PU)

CODE OF ETHICS

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1. INTRODUCTION

1.1. Introduction

MANN+HUMMEL Water & Fluid Solutions S.p.A. (hereinafter also referred to as the "Company") is an Italian company founded in 1989 as a distributor of chemical products and manufacturer of spiral-wound reverse osmosis elements in the field of water treatment. The Company considers water as an invaluable asset for Humans and has always been in the forefront against the waste and pollution of this precious good, which represent one of the greatest health risks in the world. In this regard, the Company, through the production and distribution of water treatment elements, purifies all types of water, contributing to the protection of nature and humanity. Reverse osmosis is a technology that is used by applying strong pressure to the most concentrated, 'pollutant-rich' water, passing it through a semi-permeable osmosis membrane to transform it into pure water. This makes it possible to remove almost 100% of organic substances and over 80% of inorganic substances, leaving the optimal amount of mineral salts.

In February 2018, MANN+HUMMEL Water & Fluid Solutions S.p.A. was acquired by MICRODYN-NADIR, the water treatment division of MANN+HUMMEL.

The Company has made honesty, transparency, innovation, social and environmental responsibility its core values, which are the result of a strong and recognised cultural identity.

To this end, the Company has drawn up a Code of Ethics, which formalises and defines standards and principles of behaviour that express the set of values in which the Company recognises itself and which it shares. The Code of Ethics therefore represents the commitment to moral integrity and economic and social responsibility that constitutes the primary and fundamental value of the Company.

This Code of Ethics is also in line with the provisions of the Code of Ethics issued by the German parent company MANN+HUMMEL, which constitutes a guide to company policies and the requirements of legality governing the conduct of Group companies worldwide (which, however, remains a separate document and is not part of the Model).

In particular, with reference to our country, in the event of a conflict between the provisions of the two Codes, the provision of the Italian Code of Ethics or in any case the more restrictive provision shall prevail.

1.2. Objectives

The primary objective of the Code of Ethics is to make common and widespread the ethical and moral values in which the Company is recognised, at all levels, so that all persons operating in the name and on behalf of the Company have these principles as a basis for their actions and not only the observance of the law, which is already considered essential.

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The Code of Ethics has also been adopted in compliance with the provisions of Legislative Decree 231/2001 and in accordance with the Company's mission and values policy.

1.2.1. Compliance with environmental and occupational health and safety regulations and principles

The Code of Ethics has been adopted in compliance with environmental and health and safety at work regulations, adopting the inspiring principles and linking them to the company's mission and values, which can be summarised as follows:

- environmental protection, considering among its primary objectives the commitment to research and continuous improvement of production processes in compliance with current regulations, environmental requirements and the common interest, applying the best available technologies economically feasible in order to minimise direct and indirect environmental impact;
- protecting the health and safety of workers by promoting responsible and safe behaviour and adopting all the safety measures required by technological evolution to ensure a safe and healthy working environment, in full compliance with current legislation on prevention and protection.

1.2.2. Compliance with Legislative Decree 231/2001

The Code of Ethics also constitutes an element of the Organisation, Management and Control Model pursuant to Legislative Decree 231/01, adopted by the Company in accordance with the Confindustria Guidelines on Organisation, Management and Control Models pursuant to Legislative Decree 231/2001.

Legislative Decree no. 231 of 8 June 2001 provides that the Company may be held liable for offences committed in its interest or to its advantage by:

- persons in positions of representation, administration or management of the Company (so-called "apical" persons);
- persons subject to the direction or supervision of one of the apical persons.

Article 6 of the Decree provides that the Company shall not be liable for the offence committed if it proves (inter alia) that it has adopted and effectively implemented organisational, management and control models capable of preventing offences of the kind committed and that it has entrusted a Body of the Entity with the task of supervising the operation of and compliance with such models.

With the expression "Organisation, Management and Control Model" referred to in Article 6(1)(a) of the Decree, we intend to refer to a set of rules, the Code of Ethics, the tools and conducts designed to prevent the commission of offences and to provide the Company with an effective Organisation, Management and Control system.

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1.2.3. Compliance with the company's mission and values policy

The principles on which the Code of Ethics is based must also relate to the Company's policy on mission and values in relation to the corporate management factors set out in the following paragraphs of this Code.

The Company works to maintain standards of excellence in the sector in which it operates and constantly strives for continuous improvement in order to progressively develop its business and increase its visibility and presence on the national and international territory.

The Company works to become a point of reference in its sector, creating value for its stakeholders while respecting ethics, business and social function, contributing to the economic and professional growth of its employees and collaborators and transferring elements of economic and civil progress to the Communities in which it operates.

The Company responds transparently and comprehensively to the needs of all stakeholders and produces wealth for shareholders, lenders and workers in a manner consistent with its vision with the values of responsibility, transparency, trust and respect for people.

The Code of Ethics is therefore conceived as a "charter of values", containing the general principles that inform the Company's activities: legality, correctness in relations (with employees, with external interlocutors and in general with all stakeholders), protection of the environment, health and safety at work, transparency and social responsibility.

1.3. Addressees

The Code of Ethics must be compulsorily complied with by all corporate bodies, by all employees and collaborators of the Company and by all those who, for various reasons, act in the name of or on behalf of and in the interest or to the advantage of the Company, regardless of the legal status of the relationship. These include collaborators in the broadest sense, the Public Administration, customers, suppliers of goods and services, the market, political and trade union organisations, and the media.

1.4. Ethical principles

1.4.1. Compliance with laws and regulations

Each addressee of the Code of Ethics has as an essential principle the respect of the laws and regulations in force that govern its activity.

The Company shall ensure an adequate training and continuous awareness programme on compliance with laws and regulations and on the Code of Ethics itself.

In general, the addressees undertake:

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- to apply labour contracts, to behave fairly towards their collaborators, encouraging their professional growth and safeguarding safety at work;
- comply with the requirements of the new Safety Consolidation Act and promote its application;
- to adopt a fair and correct attitude towards customers, suppliers and competitors;
- to comply with the environmental legislation in force
- to consider the protection of the environment and the prevention of all forms of pollution a constant commitment;
- to maintain relations based on fairness and integrity with the Public Administration and with political parties;
- to respect the application of the specific rules and laws in force, in its specific sector of activity.

1.4.2. Fairness and Honesty

The pursuit of the Company's interest may never justify conduct contrary to the principles of fairness and honesty.

Gifts and presents of modest value and other ordinary and reasonable entertainment expenses are allowed, provided they are contained within limits that do not compromise the integrity and ethical-professional correctness of the parties and, in any case, provided they can be considered customary in relation to the occasion. Therefore, any form of benefit or gift, received or offered, that may be intended as a tool to influence the independence of judgement and conduct of the parties involved is refused.

In relations with the Public Administration, gifts and entertainment expenses may only be made within the limits and according to the procedures defined in this document in paragraph 3.4. - "Rules of conduct relating to the Public Administration".

In case of doubt concerning gifts and entertainment expenses, the addressees shall inform and refer to their direct superior and to the Supervisory Board.

1.4.3. Impartiality

The addressees of the Code of Ethics, in full compliance with the principle of good faith, shall operate impartially in the exercise of their activities, endeavouring to guarantee the principle of independence of judgement and the absence of any interest, commercial or financial, which may lead to biased behaviour, favourable treatment and unequal treatment.

In its relations with all counterparts, any form of discrimination based on age, racial and ethnic origin, nationality, political opinions, religious beliefs, gender, sexuality or state of health of its interlocutors is prohibited.

In case of doubt on the issue in question, the addressees shall inform and refer to their direct superior and to the Supervisory Board.

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1.4.4. Confidentiality

Each addressee guarantees, in accordance with the provisions of the law, the confidentiality of the information in its possession, even after any termination or exclusion.

Recipients are prohibited from using confidential information for purposes not connected with the exercise of their professional activity. In particular, the information, data, knowledge acquired, processed and managed by the addressees in the exercise of their activity shall remain strictly confidential and appropriately protected and cannot be used, communicated or disclosed, either inside or outside the Company, unless in compliance with the regulations in force and the corporate procedures.

In case of doubt on the matter in question, the addressees shall inform and refer to their direct superior and to the Supervisory Board.

1.4.5. Conflicts of Interest

In the performance of all activities, each addressee shall operate in order to avoid incurring in situations of conflict of interest, real or even only potential. Among the hypotheses of "conflict of interest", in addition to those defined by the law, it is also intended to include the case in which a person acts to satisfy an interest different from that of the Company and its stakeholders, in order to gain an advantage for himself or for third parties.

In case of doubt on the matter in question, the addressees must inform and refer to their direct superior and to the Supervisory Board.

1.4.6. Environmental protection

The Company, aware of the impact of its activities on the economic and social development and on the quality of life of the reference territory, undertakes, in carrying out its activities, to safeguard the surrounding environment and to contribute to the sustainable development of the territory, guaranteeing transparent management of company activities, with the use of appropriate technologies.

In general, all recipients undertake not to damage the environment and to participate in and promote initiatives on environmental issues. In order to reinforce the duty of environmental protection, all addressees are obliged to scrupulously comply with the provisions of the law and other directives on environmental protection and hygiene and to always maintain a correct and vigilant behaviour. In the event of any doubt concerning the issue in question, the addressees shall inform and refer to their direct superior and the Supervisory Body.

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1.4.7. Diligence and good faith

Each addressee must act loyally and in good faith, complying with contractual obligations and providing the services requested. Each addressee must also be familiar with and observe the contents of this Code of Ethics, and base his/her conduct on respect, cooperation and mutual collaboration.

In case of doubt on the matter in question, the addressees shall inform and refer to their direct superior and to the Supervisory Board.

1.4.8. Documentation of the activity

All activities, actions, transactions and operations of each addressee must be:

- carried out in compliance with the regulations in force, with the utmost managerial correctness, completeness and transparency of information and legitimacy in both form and substance, with adequate traceability and documentability of the same;
- carried out in compliance with the instructions, procedures and notices issued, and within the limits of the delegated powers and budgets approved by the Administrative Body or its Delegates, as well as being legitimate, consistent and congruent.

Recipients who become aware of any omissions, alterations or falsifications in the accounting records or in the relevant supporting documents shall promptly inform their superior, or the head of the competent corporate function and the Supervisory Board of the Company.

1.4.9. Competition

The Company believes in free, fair and correct competition and directs its actions towards obtaining competitive results that reward ability, experience and efficiency.

Any action that may alter the conditions of fair competition is contrary to the Company's policy and is forbidden to any person acting on its behalf.

The interest of the Company can in no case justify a conduct that does not respect the laws in force and complies with the rules of this code.

In any communication with the outside world, information concerning the Company and its activities must be truthful, clear and verifiable.

In case of doubt on the matter in question, the addressees must inform and refer to their direct superior and to the Supervisory Board.

2. PROVISIONS OF LEGISLATIVE DECREE 231/2001

2.1. Preamble

On 8 June 2001, the Italian legislature issued Legislative Decree no. 231 (hereinafter also referred to as the 'Decree') laying down the 'Rules on the administrative liability of legal persons, companies and associations, including those without legal personality' (hereinafter also referred to as 'Entities' and, individually, 'Entities').

The Decree introduced into Italian law the principle that Entities are liable for offences committed, in their interest or to their advantage, by employees and/or other persons indicated in Article 5 of the Decree (e.g. directors, auditors, managers, representatives of the Entity, as well as persons subject to their direction or supervision), unless, among other conditions, the Entity has adopted and effectively implemented a suitable organisational, management and control model (hereinafter also referred to as the "Model").

2.2. What is an "Organisation, Management and Control Model"

The term "Organisation and Management Model" referred to in Article 6(1)(a) of the Decree refers to a set of rules, tools, control protocols and conducts built around the offence and designed to provide the Company with an effective Organisation, Management and Control system. The purpose of the Model is to be reasonably suitable for identifying and preventing criminally relevant conducts carried out in favour of or in the interest of the Company, by "apical" persons or persons subject to their direction and/or supervision, or by de facto persons.

For details of the constituent elements of the Organisation, Management and Control Model, please refer to the specific document adopted by the Company, which to all intents and purposes represents the Company's Regulations.

2.3. he Guidelines drawn up by the Trade Associations and the aims of the Code of Ethics

In order to adopt a Model which complies with the law, it is necessary to take into account the provisions of the Guidelines drawn up by Confindustria, which identify, among the requirements of an adequate and effective Model, the development of appropriate organisational protocols, necessary to ensure an efficient control system of the activity of the Entity and its employees. In the context of these protocols, the adoption of a Code of Ethics indicating the general reference principles with which the Entity intends to comply is of relevance.

3. RULES OF CONDUCT

3.1. RULES OF CONDUCT CONCERNING COLLABORATORS

Co-workers in a broad sense are:

- those who perform, even de facto, management, administration or control functions within the company (Directors, Auditors, Managers, etc.)
- employees, classified according to the regulations and/or provisions of the relevant National Collective Contracts;
- all persons who, by virtue of a mandate, other contractual relationships of collaboration, assignment of tasks or powers and/or other agreements, act in the name and/or on behalf and/or in the interest of the company.

3.1.1. Protection of the person

The Company recognises the value of human resources, the respect for their autonomy and the importance of their participation in the business activity.

MANN+HUMMEL WATER & FLUID SOLUTIONS S.p.A. undertakes to guarantee the respect of the conditions necessary for the existence of a collaborative and non-hostile working environment and to prevent discriminatory behaviour of any kind.

3.1.2. Compliance with laws and protection of resources

The Company has as an unavoidable principle the respect of the laws and regulations in force in all the countries in which it operates.

Each Collaborator shall act with the care and diligence of a good family man in order to always be fully aware, for the area of his/her responsibility, of the rights and obligations of the company deriving from laws, contracts or relations with the Public Administration and shall not behave in any way that may damage the interests of the company.

Each Collaborator shall also be responsible for guarding, preserving and defending the assets and resources of the company entrusted to him/her within the scope of his/her activity and shall use them in his/her own way and in accordance with the interests of the company.

3.1.3. Fair and transparent conduct

The Company requires all its Collaborators to behave correctly and transparently in the performance of their duties, in compliance with the principles set out in the Code of Ethics. More specifically, this behaviour must be expressed in relation to any request made by the shareholders, the corporate bodies in charge of

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the legal control of accounts and internal control, as well as the auditing company in the exercise of their respective institutional functions.

The Collaborators, in compliance with their specific competences, during audits and inspections by the competent public Authorities, shall maintain an attitude of maximum helpfulness and cooperation without hindering in any way the functions of the inspection and control Bodies.

3.1.4. Staff selection, management and evaluation

Selection, recruitment, grading, training, remuneration and professional development activities shall be based exclusively on objective considerations of the professional and personal characteristics required to perform the job and the skills demonstrated in carrying it out, in such a way as to exclude any form of direct or indirect discrimination on the grounds of:

- race, ethnic origin, religion, origin of personal convictions, disability, age and sexual orientation, (in accordance with Articles 3 and 4 of Law 977/67 and Legislative Decrees 215/2003, 216/2003, 256/2004);
- gender (in compliance with art. 1 Legislative Decree 198/2006 and art. 1, para. 1, letter B) Legislative Decree 5/2010);
- investigations into political or trade union opinions or facts not relevant to the assessment of the worker's abilities (in accordance with Article 8 of Law 300/70)
- enquiries by employment agencies and other public and private entities authorised or accredited to carry out activities of employment promotion and data processing or pre-selection of workers that may conceal discriminatory intentions (in compliance with Article 10 of Legislative Decree 276/2003)
- on the state of pregnancy (in compliance with art. 3 para. 1 Legislative Decree 151/2001 and art. 2 Legislative Decree 5/2010).

The HR Manager, within the limits of the information available, takes appropriate measures to avoid favouritism, nepotism or forms of patronage in the selection and recruitment phases.

The information requested in the selection phase is strictly related to the verification of the aspects foreseen by the professional and psycho-aptitude profile, respecting the private sphere and opinions of the candidate.

The Company, in relation to personnel assessment, undertakes to ensure that in its own corporate organisation the annual objectives set, both general and individual, are focused on a possible, specific, concrete, measurable result, and related to the time expected for its achievement.

Any situations of difficulty or conflict with the above-mentioned principle must be promptly reported to the Supervisory Board so that it can take any corrective action.

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The ethical principles set out herein on the subject of personnel selection and management are set out in detail in Protocol 02 - "Selection, recruitment, personnel management, reimbursement of expenses and entertainment expenses".

3.1.5. Establishment of the employment relationship

At the establishment of the employment relationship, the Company undertakes to provide each employee with accurate information on the employment relationship:

- place of performance, duration, grading, level, qualification and duties, length of probationary period if applicable, amount of remuneration, applicable CCNL;
- rules and procedures to be adopted in order to avoid conduct contrary to laws, contracts and company regulations.

This information is presented to the employee in such a way that acceptance of the assignment is based on an effective understanding and knowledge of them.

3.1.6. Staff training

In compliance with the principles of "equal opportunities" and "non-discrimination", the Company makes information and training tools available to all employees with the aim of enhancing and increasing the skills of its staff.

Training can be of an institutional nature, with provision at certain times in the employee's company life (e.g. for new recruits, introduction to the company and its business, training on safety in the workplace, Legislative Decree 231/01 and related risk prevention) or professional and developmental, i.e. designed to strengthen the personnel management system focused on the "value of the person" and the contribution they can make in terms of skills, flexibility, results and involvement.

3.1.7. Hygiene, safety and respect for the environment

The Company aims to maintain the highest levels of health and safety and to ensure all necessary preventive measures against accidents and illness at work.

All Collaborators must contribute to maintaining a healthy and safe working environment in which they operate by fully complying with all relevant legal, contractual and corporate provisions.

As far as environmental protection is concerned, the Company operates in full compliance with all relevant laws and to the best of its art and takes all necessary measures to prevent any form of pollution.

Please refer to Protocol 06 - "Compliance with workplace health and safety requirements pursuant to Legislative Decree 81/2008" and Protocol 07 - "Environmental offences" for further details on the

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organisational and control measures adopted by the Company to minimise risks and prevent the commission of offences relating to workplace health and safety and environmental offences.

3.1.8. Finance, administration and control

In preparing the accounting documents and data, in the reports or in the other corporate communications required by law and addressed to the shareholders and the public or to the auditing firm, as well as in any record pertaining to the administration, the Collaborators shall comply with the strictest principles of transparency, correctness and truthfulness.

In particular, all the Collaborators called upon to draw up and draft the aforesaid acts are required to check, each for the parts falling under their respective competence, the correctness of the data and information processed.

Each accounting entry must reflect exactly what is described in the supporting documentation, which must be complete and verifiable.

Protocol 04 - "Cycle of preparation of financial statements, budgets and management of extraordinary corporate transactions" refers to these principles of conduct when defining the process of preparation of financial statements, budgets and extraordinary corporate transactions and the way in which corporate obligations are to be managed.

The procurement and disbursement of financial resources, as well as their administration and control, must always comply with the company's approval and authorisation procedures, as defined in Protocol 05 - "*Monetary and financial flows*".

3.1.9. Conflict of interest

Each collaborator in the broad sense must ensure that every decision taken in his or her sphere of activity is taken in the interest of the Company and complies with the plans and guidelines of the corporate bodies. Any situation of conflict of interest between personal or family economic activities and the company's duties must therefore be avoided..

By way of example, the following situations may give rise to a conflict of interest:

- the existence - overt or covert - of economic and financial interests of staff and/or their families in supplier activities;
- the use of information acquired in the performance of work activities for one's own benefit or for the benefit of third parties in conflict with the interests of the Company;
- the performance of work activities of any kind (work and intellectual services) for customers, suppliers, third parties in contrast with the interests of the Company;
- the acceptance of money or any other benefit or advantage, from anyone other than the Company, for the performance of an act that is part of their office or contrary to their official duties;

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- the acceptance of gifts, gratuities, hospitality or other advantages, unless the value of the same does not exceed the limits attributable to normal courteous relations and of modest value, customary in relation to the occasion; this rule also applies in those countries where it is customary to offer gifts of high value;
- the abuse of one's functional position for the realisation of interests conflicting with those of the Company;
- the conclusion, completion or initiation of negotiations and/or contracts in the name of and/or on behalf of the Company, involving members of their families.

Before accepting a consultancy, management, administration or other appointment in favour of a person other than the Company, such as to be in potential conflict with the interests of the Company, each employee shall inform his/her manager who, in turn, shall report to the Supervisory Board the actions taken to exclude the incidence of the conflict of interest on the management of the Company.

3.1.10. Gifts and benefits

It is permitted to offer acts of commercial courtesy, such as gifts or forms of hospitality, provided that they are authorised in advance and duly authorised, if and when they are of modest value, and in any case such that they cannot be interpreted, by an impartial observer, as aimed at obtaining an advantage, including a non-economic one, contrary to binding legal provisions, regulations and the principles of this Code.

It is not permitted to offer, directly or indirectly, gifts and benefits (money, objects, services, favours or other benefits) not directly attributable to normal courteous relations, to third parties, private individuals or representatives of the Public Administration.

In particular, employees are required not to make or refuse to make payments that may lead to unlawful conduct in breach of laws, regulations and the principles of this Code.

3.1.11. Protection of confidentiality

The Company protects the privacy of its Collaborators in accordance with the regulations in force, undertaking not to communicate or disseminate, without prejudice to legal obligations, the relevant personal data without the prior consent of the person concerned..

The acquisition, processing and storage of this information is carried out in accordance with specific procedures aimed at ensuring full compliance with the rules on privacy protection.

3.1.12. Information obligations

All Collaborators are required to promptly and confidentially report to their department manager and/or to the Supervisory Board any information they may have become aware of in the course of their work

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activities, concerning violations of the law, the Model, the Code of Ethics or other corporate provisions that may, for any reason, involve the Company.

Department managers must supervise the work of their employees and must constantly and promptly inform the Supervisory Board.

3.1.13. Whistleblowing

MANN+HUMMEL WATER & FLUID SOLUTIONS S.p.A. promotes the prevention and verification of any unlawful conduct or, in any case, conduct contrary to the Code of Ethics and Conduct. The Company encourages the Addressees to promptly report to the Supervisory Body any unlawful conduct or, in any case, conduct contrary to the Code of ethics and behaviour, of which they become aware due to their relations with the Company. Apart from cases of liability for libel or slander, or for the same reason pursuant to Article 2043 of the Civil Code, an Addressee who reports in good faith to the Supervisory Board any unlawful conduct or, in any case, conduct contrary to the Code of Ethics and Conduct, of which he has become aware by reason of his relations with the Company, shall not be sanctioned.

No form of retaliation or discriminatory measure, whether direct or indirect, affecting working conditions for reasons directly or indirectly related to the whistleblowing, shall be allowed or tolerated in respect of employees who make reports under the whistleblowing system introduced by the Company.

For this purpose, discriminatory measures include unjustified disciplinary action, harassment in the workplace and any other form of retaliation leading to intolerable working conditions.

Any form of abuse of the whistleblowing system, carried out by means of whistleblowing reports that are manifestly opportunistic and/or made for the sole purpose of harming the whistleblower or other persons, as well as by improper use or intentional exploitation of the institution, is also prohibited.

The Company, in order to ensure the effectiveness of the whistleblowing system, has regulated the reporting by employees, directors, members of corporate bodies, and authorized third parties in the Group's "MANN+HUMMEL Whistleblower System" procedure. All employees, directors, and members of corporate bodies and authorized third parties have been informed of the existence of dedicated communication channels that allow them to submit any reports based on precise and consistent facts, while ensuring the confidentiality of the whistleblower's identity, including through electronic means. The Group has established internal channels dedicated to whistleblowing, designed to guarantee maximum confidentiality regarding both the identity of the person making the report and the content thereof, while also ensuring protection from any form of retaliation against the individuals involved. The channel is accessible directly from the company website at the following link <https://www.mann-hummel.com/en/company/responsibility/compliance.html>.

3.2. RULES OF CONDUCT CONCERNING SUPPLIERS OF GOODS AND SERVICES

3.2.1. Criteria for selecting suppliers

The supplier selection process is based on principles of fairness, cost-effectiveness, quality and lawfulness, on the basis of objective assessments aimed at protecting the Company's commercial and industrial interests and, in any case, at creating greater value for the Company.

The Supplier's adherence to this Code, as well as compliance with the regulations in force, also in relation to the management of relations with the Public Administration, is a necessary condition for the initiation or continuation of the contractual relationship.

Protocol 11 - "Procurement" and Protocol 03 "Management of consultancy and professional assignments to third parties", to which reference should be made, govern the activities of selecting and qualifying suppliers/consultants, contracting, making purchases and managing relations, identifying specific responsibilities, organisational and control measures and appropriate information flows to the Supervisory Body.

3.2.2. Lawfulness and fair dealing

Collaborators who make any purchase of goods and/or services must always act in compliance with the principles of correctness, cost-effectiveness, quality and lawfulness, acting with the diligence of a good father, in compliance with Protocol 11 - "Procurement" and Protocol 03 "Management of consultancy and professional assignments to third parties".

The company establishes commercial relations and contracts with its suppliers in a correct, complete and transparent manner, trying to foresee the circumstances that could significantly affect the established relationship.

Suppliers must be informed of the Company's adoption of the Model pursuant to Legislative Decree 231/01 and of this Code of Ethics, knowledge of and compliance with which constitutes an express contractual obligation. In the performance of commercial relations, on the basis of public and/or available information, the Company undertakes to:

- not entertain relations with persons involved in unlawful activities, in particular related to the offences provided for by Legislative Decree 231/2001 (e.g. trafficking in arms and drugs, money laundering, terrorism, etc.) and, in any case, with persons lacking the necessary requirements of seriousness and commercial reliability;
- not to establish financial and commercial relations with parties that, even indirectly, hinder human development and contribute to violating the fundamental rights of the individual, as well as, in general, all the principles laid down in this Code of Ethics;

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- avoiding transactions with companies that violate occupational health and safety regulations and/or environmental protection standards and laws.

The remuneration to be paid to the Suppliers shall be exclusively commensurate with the performance specified in the contract and payments shall not be made to a person other than the contractual party nor in a country other than that of the contractual parties.

3.2.3. Gifts and other benefits received from suppliers

Employees should avoid receiving directly or indirectly (e.g. through family members, friends, acquaintances):

- money or other benefit or advantage from anyone other than the Company for the performance of an act of their office or contrary to their official duties;
- gifts, gratuities, hospitality or other advantages, unless the value of the same does not exceed the limits attributable to normal courteous relations and of modest value, customary in relation to the occasion.

1. RULES OF CONDUCT RELATING TO CUSTOMERS

The Company pursues its business success in the markets through the offer of quality products and services at competitive conditions and in compliance with all the rules protecting fair competition.

The Company recognises that the appreciation of those who request products or services is of primary importance for its business success. Commercial policies are aimed at ensuring the quality of goods and services, safety and compliance with the precautionary principle.

The Company also undertakes to respect the right of customers not to receive products that are harmful to their health and physical integrity and to have complete information on the products offered, in compliance with Protocol 12 - "Production management".

MANN+HUMMEL Water & Fluid Solutions S.p.A. recognises that the appreciation of those who request products is of prime importance to its business success. Commercial policies are aimed at ensuring the quality of goods and services, safety and the observance of the precautionary principle.

Company collaborators are therefore obliged to:

- comply with internal procedures for managing customer relations;
- provide, with efficiency and courtesy, within the limits of the contractual provisions, high quality services that meet the reasonable expectations and needs of customers;
- provide accurate and comprehensive information on products and services and adhere to the truth in advertising or other communications, so that customers can make informed decisions.

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Protocol 09 - "Commercial", to which reference should be made, governs the activities of research, selection of commercial partners and management of the relevant relations, identifying specific responsibilities, organisational and control measures and appropriate information flows to the Supervisory Body.

3.3. RULES OF CONDUCT RELATING TO PUBLIC ADMINISTRATION

The Company inspires and adapts its conduct to compliance with the principles of legality, fairness and transparency, in order not to induce the Public Administration to violate the principles of impartiality and good performance to which it is bound.

The concept of Public Administration, in criminal law, is understood in a broad sense, including the entire activity of the State and of other public bodies.

The expression "Public Administration" includes the following definitions:

A. Public Official

Article 357 of the Criminal Code defines a 'public official' as a person who 'exercises a legislative, judicial or administrative public function. An administrative function governed by rules of public law and by authoritative acts and characterised by the formation and manifestation of the will of the Public Administration or by its performance by means of authoritative or certifying powers is public'.

By way of example and without limitation, Public Officials include members of state and territorial administrations, members of supranational administrations (e.g. the European Union), administrators of economic public bodies, judges, judicial officers, auxiliary bodies of the Administration of Justice (e.g. bankruptcy trustees), members of the Police Force and of the Guardia di Finanza, the NAS, etc..

B. Person in charge of a public service

L Article 358 of the Criminal Code defines a 'person in charge of a public service' as a person who 'for any reason ¹ provides a public service'. ²".

By way of example but not limited to, employees of the cash office of a public body, employees of ASL, INAIL, INPS, as well as employees of private bodies carrying out public services, may be regarded as public service employees..

¹ "In any capacity whatsoever" is to be understood in the sense that a person exercises a public function, looking after public interests or the satisfaction of needs in the general interest subject to the supervision of a public authority, even without a formal or regular investiture (entrusted with a public service "de facto"). In fact, the relationship existing between the P.A. and the person performing the service is not relevant. Therefore, even a private individual or the employee of a private company may be qualified as a public service appointee when he carries out activities aimed at pursuing a public purpose and protecting a public interest.

² "Public Service" means an activity governed by rules of public law and by authoritative acts, but characterised by the absence of authoritative and certifying powers..

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The status of person in charge of a public service has, for example, been recognised by case law: to the collectors of a gas company; to all employees of public bodies who cooperate with public officials in the work they carry out; to the cemetery caretaker; to the security guard who drives a cash van.

The following, on the other hand, are not regarded as public service employees: employees of banking institutions, who carry out a private business activity.

The ethical principles defined in this Code of Ethics with reference to the Company's relations with the Public Administration are set out in specific organisational and control measures in Protocol 01 - "Relations with the Public Administration", to which reference should be made.

3.4.1. Equality, correctness and transparency in relations with the Public Administration

In the context of any relationship with the Italian and/or foreign Public Administration, any conduct aimed at unlawfully influencing the decisions of Public Officials or Persons in Charge of a Public Service, in order to obtain an undue or unlawful profit or advantage for the company, is not allowed.

Consequently, the following actions may not be taken - directly or indirectly - in such relationships:

- proposing - in any manner whatsoever - employment and/or business opportunities that may benefit Public Officials and/or Persons in Charge of a Public Service or their relatives and relatives-in-law;
- offering gifts, unless they are modest and in compliance with the company's authorisation process;
- soliciting or obtaining confidential information that may compromise the integrity or reputation of either party;
- perform any other act aimed at inducing Public Officials, whether Italian or foreign, to do or omit to do something in violation of the laws of the system to which they belong;
- abusing one's position or powers to induce or compel someone to promise unduly to oneself or others money or other benefits;
- exploiting or boasting of existing or alleged relations with a Public Official or a Person in Charge of a Public Service in order to obtain the promise or unlawful giving of money or other benefits.

The objective of guaranteeing the independence and autonomy of the contacts authorised to deal with the Public Administration is also pursued through the choice of persons who are not in situations of conflict with the representatives of the institutions themselves, whether direct or indirect. In fact, by virtue of the introduction of Article 319-quater of the Criminal Code within the scope of the offences provided for by Legislative Decree no. 231/01, it is necessary for the Company to guarantee the independence of its delegates also in relation to situations of potential psychological suggestion or moral pressure (persuasion, obstructionism, undue silence) that may induce the private party to give or promise the undue from which an undue or unlawful interest and/or advantage may arise for each Company.

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3.4.2. Gifts and benefits

The Company condemns any conduct, by anyone, consisting in promising or offering directly or indirectly gifts and benefits (money, objects, discounts, services, favours or other benefits) to Italian or foreign Public Officials and/or Persons in Charge of a Public Service, or their relatives, from which an undue or illegal interest and/or advantage may be obtained. Such conduct shall be considered an act of corruption by anyone who engages in it..

Specifically, it is prohibited to promise and/or offer any gratuity and/or benefit to:

- obtaining more favourable treatment in relation to any relationship with the Italian or foreign Public Administration;
- inducing Italian or foreign public officials/public service employees to use their influence on other persons belonging to the Italian or foreign public administration.

Gifts or acts of courtesy and hospitality towards representatives of the Public Administration are allowed only to the extent that their modest value does not compromise the integrity, independence and reputation of one of the parties. In any case, this type of activity must be adequately authorised and documented.

3.4.3. Collaboration and business relations

It is only permitted to enter into or maintain business relations (economic and/or financial) with employees or former employees of the Italian or foreign Public Administration, or their relatives and relatives-in-law, if such relations are explicitly and in advance brought to the attention of the Supervisory Board and assessed by it both in the recruitment phase and in the definition of business relations.

3.4.4. Financing, contributions and grants

It is prohibited to use contributions, subsidies or loans obtained from the State or other public bodies or from the European Communities for purposes other than those for which they may have been granted, even if the value and/or amount is small.

The Company condemns any conduct aimed at obtaining, from the State, the European Community or any other national or foreign public body, any type of contribution, financing, subsidised loan or other disbursement of the same type, by means of declarations and/or documents altered or falsified for this purpose, or by means of omitted information or, more generally, by means of artifices or deception, including those carried out by means of a computer or telematic system, aimed at misleading the disbursing body.

3.4.5. Conflict of interest

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The Company may not be represented in relations with the Public Administration, whether Italian or foreign, by persons who may be in any situation of conflict of interest.

In this regard, all employees in the broad sense are required to inform their hierarchical superiors of the existence of conflicts of interest with Italian or foreign Public Administrations, and to refrain from performing or participating in acts that could be detrimental to the Company or third parties, or even compromise its image.

Appropriate communication regarding the existence of situations of conflict of interest must also be addressed to the Supervisory Board, together with the actions taken to exclude the incidence of such conflict on the management of the company.

3.4.6. Computer system

The Company prohibits altering in any way the operation of a computer or telematic system or intervening illegally in any way on the data, information and programs contained therein or pertaining to it. This prohibition is reinforced if the State or a public body is damaged.

Please refer to Protocol 08 - "Computer offences, unlawful data processing and copyright infringement" for further details on the principles of conduct and control envisaged by the Company in the context of the activities in question.

3.4.7. Participation in legal proceedings

In case of participation in judicial proceedings, the Company undertakes to follow the judicial proceedings in a correct manner, in compliance with the law, with the rules contained in this Code of Ethics, in the Organisation, Management and Control Model and in the internal procedures.

In particular, during legal proceedings in which the Company is a party, employees, members of corporate bodies and collaborators are prohibited from:

- promising/delivering to a Public Official (e.g. magistrate, registrar or other official), for him or for a third party, an undue remuneration in money or other benefits in exchange for an act of his office in order to obtain an advantage for the Company in legal proceedings;
- promise/deliver to a Public Official (e.g. magistrate, registrar or other official), for him or for a third party, a sum of money or another benefit in order to make him omit/delay an act of his office or to make him perform an act contrary to his official duties in order to obtain an advantage for the Company in legal proceedings;
- misleading the State/other public body by artifice or deception in order to obtain an advantage for the Company in legal proceedings;

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- altering the operation of a computer/telematic system or intervening without right and in any way on data/information/programs contained in or pertaining to a computer/telematic system in order to obtain an advantage for the Company in legal proceedings.

Reference should be made to Protocol 01 - "Relations with the Public Administration" and Protocol 13 - "Offences related to Terrorism, Organised Crime Offences and Inducement not to make statements or to make false statements to the judicial authorities" for further details on the principles of conduct and control envisaged by the Company in the context of the activities in question.

3.4. RULES OF CONDUCT RELATING TO OTHER STAKEHOLDERS

In addition to the stakeholders already considered, the Company has relations with other parties or entities in respect of which it has defined the following rules of conduct.

3.5.1. Market

The Company is keen to ensure maximum competitiveness on the market and, therefore, its commercial policy is developed in full compliance with all applicable pro-tempore competition laws and regulations.

The Company ensures compliance with laws regarding competition and consumer rights, and undertakes not to enter into formal or informal agreements with competitors where these prevent pricing according to standard competitive practices.

3.5.2. Political and trade union organisations

Relations with political and trade union organisations are reserved for the company departments authorised to establish and manage such relations on the basis of the company's assigned tasks and the provisions of the service orders and procedures in force at the time.

3.5.3. Information bodies

Information relating to the Company and addressed to the mass media may only be disclosed by the corporate functions delegated for that purpose, in compliance with the protocols and procedures in force. Should Collaborators be asked to provide information or give interviews, they shall notify the competent function and receive a specific prior authorisation. In any case, the external communication of data or information shall be truthful, transparent and such as to homogeneously reflect the image and strategies adopted by the Company..

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3.5. RULES OF CONDUCT ON FINANCIAL STATEMENTS (CORPORATE OFFENCES)

The Company condemns any behaviour aimed at altering the correctness and truthfulness of the data and information contained in financial statements, reports or other corporate communications required by law and addressed to shareholders, the public and the auditing firm.

All persons called upon to draw up the aforesaid documents are required to verify, with due diligence, the correctness of the data and information that will then be used to draw up the aforesaid documents.

The Company adopts appropriate accounting and administrative procedures to ensure easy and immediate control over:

- compliance with the "Accounting Principles" issued by the relevant Commissions of the National Councils of Accountants and Bookkeepers, as well as with the international accounting standards;
- the registration of letters, faxes, e-mails and any other document in order to make them immediately linkable to the communications or budget items to which they relate;
- compliance by the persons delegated to specific functions with the content of their delegated and/or proxy powers.

The bodies in charge of preparing the financial statements and corporate communications shall carry out their activities in compliance with the procedures provided for by the Model, inspiring their actions to the principles of fairness and good faith, or acting with the ordinary diligence of a good father. They shall also avoid situations of conflict of interest, even if only potential, in the performance of the functions delegated to them.

It is forbidden to engage in any conduct intended to cause damage to the integrity of the company's assets. It is prohibited to carry out any act, simulated or fraudulent, intended to influence the will of the members of the shareholders' meeting in order to obtain the irregular formation of a majority and/or a different resolution.

All stages of the meeting, such as the convening of the meeting and the filing of any document deemed appropriate for the adoption of the shareholders' resolution, must be scrupulously controlled.

It is forbidden to spread false information both inside and outside the Company, concerning the Company itself, its employees, collaborators and third parties working for it. Directors, executives, collaborators, and employees are required to keep confidential the information and documents acquired in the performance of their duties and not to use them to their own advantage.

Persons entrusted with the transmission of documents and information, in the event of audits and inspections by the competent public authorities, must conduct themselves in good faith and with fairness, being required to perform their duties with the diligence of an agent. They must also maintain an attitude of maximum willingness to cooperate with the inspection and monitoring bodies.

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It is forbidden to hinder in any way the functions of public supervisory authorities that come into contact with the Company due to their institutional functions.

The rules of ethics defined in this Code of Ethics with reference to conduct potentially liable to lead to the commission of corporate offences, are set out in operating procedures and related control tools in Protocol 04 - "Budgeting cycle, budgeting and management of extraordinary corporate transactions" and Protocol 05 "Cash and financial flows", to which reference should be made..

3.6.1. Bribery between private individuals

In full compliance with the principles set out above, the Company undertakes to prevent and hinder any form of mala gestio connected to a phenomenon of deviation from the good corporate governance. To this end, the Company, in full compliance with the provisions introduced by Article 2635 of the Italian Civil Code, entitled "Corruption among private individuals", and by Article 2635-bis of the Italian Civil Code, and Article 2635-bis of the Italian Civil Code, entitled "Incitement to bribery among private individuals", referred to in Article 25-ter, letter s-bis of Legislative Decree no. 231/01, condemns any conduct aimed at preventing or encouraging bribery. 231/01, condemns any conduct aimed at altering the fairness and transparency of business relations between companies and, in particular, prohibits the Recipients from giving or promising money or other benefits to directors, general managers, managers responsible for preparing the company's financial reports, auditors and liquidators of another company or private body, so that they perform or omit acts, in violation of the obligations inherent to their office or obligations of loyalty, in order to obtain an advantage for the Company. The incriminating rationale of the provision is to be found in the need to repress forms of mala gestio connected to a phenomenon of deviation from the good corporate governance (e.g. the Commercial Agent gives or promises money or other benefits to the Purchasing Officer of another company so that the latter chooses his own company as supplier, charging the cost of the benefit or the money given or promised to the price).

Please refer to Protocol 10 - "Bribery among private individuals" for further details on the principles of conduct and control envisaged by the Company in the context of the sensitive activities in question.

3.6.2. Correctness of operations

All operations and transactions, understood in the broadest sense of the term, must be authorised and recorded in compliance with the principles of fairness, honesty and impartiality. The Company's Collaborators are required to operate with due diligence in order to ensure that the activities carried out are supported by the authorisation procedures and by documentary and/or IT evidence.

The Company promotes the principle of correct behaviour in business activities. It is forbidden to behave in such a way as to favour, even with the possible collaboration of third parties, money laundering, receiving

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stolen goods, the use of goods or benefits of illegal origin and self-laundering, both nationally and internationally.

3.6.3. Methods of collection and payment

Collections and payments must be made, where possible, preferably by bank remittances and/or bank cheques, and collections and payments made using cash must always be documented, in compliance with Protocol 04 - "Budgeting cycle, budgeting and management of extraordinary corporate transactions" and Protocol 05 "Monetary and financial flows" adopted by the Company.

3.6. RULES OF CONDUCT ON HEALTH AND SAFETY IN THE WORKPLACE AND ENVIRONMENTAL PROTECTION

3.7.1. Health and safety in the workplace

The Company ensures that its employees and collaborators carry out their activities in working environments that are suitable for safeguarding their health, safety and physical and moral integrity, in compliance with the laws and regulations in force. For this reason, it promotes responsible and safe behaviour and adopts all the safety measures required by technological evolution to ensure a safe and healthy working environment, with the specific aim of preventing and impeding the crimes of manslaughter and serious or very serious personal injury committed in violation of the rules on accident prevention and on the protection of hygiene and health at work.

The Company therefore ensures the fulfilment of all legal obligations provided for by Legislative Decree 81/2008 art. 30 (Safety Consolidation Act).

With this in mind, the Company guarantees the provision of functions ensuring the technical skills and powers necessary for the verification, assessment, management and control of risk.

Employees, consultants and collaborators are prohibited from behaving in such a way that, taken individually or collectively, they directly or indirectly constitute the types of offences referred to in Article 25-septies of the Decree.

More specifically, the Company undertakes to:

- implement all appropriate initiatives to prevent and minimise risks to the personal health and safety of employees and third parties working for the Company;
- ensuring constant compliance with Health and Safety legislation;
- develop training and information programmes for employees to promote their responsibility and awareness of Health and Safety issues;
- ensure that company procedures on health and safety at work are effectively applied;

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- promote information and awareness-raising activities aimed at external companies that may be entrusted with works/services contracts, so that they adopt appropriate behaviour with regard to health and safety in the workplace;
- ensure compliance with the regulations on work organisation, with particular reference to working time, daily and weekly rest periods for employees.

Anyone who discovers any deficiencies or inadequacies of the workplaces and equipment, or of the protective devices made available to the Company, or any other dangerous situation related to health and safety at work, is required to provide appropriate and timely reporting to the responsible parties (RSPP, RLS, Managers and Supervisors) and/or to the Supervisory Board.

The principles of conduct illustrated above are set out in operational procedures and control tools in Protocol 06 - "Compliance with workplace health and safety requirements pursuant to Legislative Decree 81/2008" in order to prevent the commission of offences relating to workplace health and safety, to which reference should be made.

3.7.2. Environmental protection

In carrying out its activities, the Company, without prejudice to compliance with the specific applicable legislation, adopts suitable measures to preserve the environment and the community, promoting the development of activities in line with this objective and taking action to raise awareness, also through the provisions contained in Protocol 07 - "Environmental offences" adopted by the Company, to which reference should be made.

The premise of the Company's environmental policy is expressed by the conviction that the environment is a common good to be safeguarded.

The company guarantees transparent management of environmental aspects, the active participation of all employees and constant monitoring of company processes, as well as the identification of industrial solutions with a lower environmental impact.

In their daily work, employees are required to take care to consume paper, water and energy in a sustainable manner, and to comply with the provisions on waste separation.

In order to reinforce the duty to protect the environment, the Company scrupulously complies with the provisions of the law and other directives on environmental protection and hygiene and undertakes to maintain correct and vigilant behaviour at all times.

The Company assigns responsibility in the environmental field to persons with appropriate technical skills. The Company undertakes to train its employees so that they are aware of the environmental aspects and impacts of their activities and to reduce the effects of their actions, in accordance with company procedures.

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The Company manages its activities by pursuing excellence in the field of environmental protection, aiming to continuously improve its performance.

The Company is aware of the impact of its activities on economic and social development and on the quality of life of the reference territory, and undertakes to:

- adopt a preventive approach to managing environmental impacts;
- implement appropriate maintenance activities on plant and equipment, optimising the use of raw materials and energy, trying to reduce consumption and emissions, minimising negative effects on the environment and risks to health and safety in the workplace;
- pursue the improvement of environmental performance through the correct use of natural resources, promoting energy saving and the use of alternative sources;
- guarantee the monitoring of company processes, periodically reviewing them in the light of new information available and ensuring the traceability of the checks carried out;
- use innovative and environmentally friendly equipment to provide efficient and technologically advanced services.

The Company implements a periodic activity of identification and evaluation of specific risks related to the management of environmental aspects, such as, for example, the management and evaluation of suppliers. In order to reinforce the duty to protect the environment, the Company scrupulously complies with the provisions of the law and other directives on environmental protection and hygiene and undertakes to always maintain a correct and vigilant behaviour.

3.7. RULES OF CONDUCT RELATING TO OFFENCES AGAINST PUBLIC FAITH

All those who, in the performance of their duties within the Entity, make and/or receive payments in cash shall comply with the provisions of internal procedures.

If they receive coins or banknotes about whose genuineness they have doubts, they shall immediately inform the competent corporate bodies, which shall report the matter to the competent authorities and, if necessary, to the Supervisory Body, if it is appropriate to ascertain whether the fact may be attributable to a possible breach of the Company's procedures.

The same behaviour shall also be adopted by those who, even only by chance, become aware of conduct detrimental to the Company during or on the occasion of the performance of their activities within the Company.

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3.8. RULES OF CONDUCT RELATING TO COMPUTER OFFENCES AND UNLAWFUL PROCESSING OF DATA

The Company adopts appropriate measures to ensure the correct use of computer or telematic services, so as to guarantee the integrity and authenticity of the data processed, in order to protect the interests of the Company and third parties, with particular reference to public authorities and institutions.

To this end, the Company undertakes to ensure that access to telematic and computer data is carried out in full compliance with the regulations in force, so as to guarantee the confidentiality of the information and to ensure that the data is processed exclusively by persons expressly authorised to do so. With regard to the use of computer systems, each employee is responsible for the security of the systems used and is subject to the applicable regulations and the terms of the licence agreements.

Without prejudice to the provisions of civil and criminal law, the misuse of company assets and resources includes the use of network connections for purposes other than those inherent to the employment relationship.

Dipendenti, membri degli organi sociali e collaboratori s'impegnano a non utilizzare, per interessi o fini privati, i beni o le attrezzature informatiche nonché ogni altra informazione di cui dispongono per ragioni di ufficio.

It is therefore forbidden and entirely extraneous to the Company to make improper use of IT tools that may result in the commission of conduct constituting abusive access to a third party's IT or telematic system, the unlawful interception, obstruction or interruption of IT or telematic communications, the damaging of private IT information, data and programmes or those used by the State or by another public body or in any case of public utility and the damaging of private or public utility IT or telematic systems.

It is also absolutely forbidden to illegally possess or disseminate access codes to computer or telematic systems, to disseminate equipment, devices or computer programmes intended to damage or interrupt a computer or telematic system, or to install equipment designed to intercept, prevent or interrupt computer or telematic communications.

The ethical principles illustrated herein constitute the basis for the contents of PROTOCOL 08 - "Computer crimes, unlawful data processing and copyright infringement" issued by the Company to regulate roles, responsibilities and control measures in this area.

3.9. RULES OF CONDUCT RELATING TO OFFENCES AGAINST INDUSTRY AND TRADE AND THE PROTECTION OF COPYRIGHTS

The Company undertakes to ensure compliance with the regulations on the protection of fair trading.

The Company's essential principle is to comply with the prohibition imposed by law on the marketing of products whose origin, provenance, quality or quantity is different from that stated or agreed, or which are not genuine.

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MANN+HUMMEL Water & Fluid Solutions S.p.A. furthermore, undertakes not to use and market products with an altered or counterfeit mark on the origin, provenance and composition of the product (labelling).

The Company also undertakes to guarantee compliance with the regulations on the protection of trademarks, patents, industrial designs and other distinctive signs, as well as compliance with the regulations in force on copyright.

The Company also undertakes not to use works protected by the rights of others without a suitable concession from the author.

The Company shall translate the following ethical principles into operating procedures and related control measures, as set out in Protocol 12 - "Production management" and Protocol 08 - "Computer crimes, unlawful data processing and copyright infringement".

3.10. RULES OF CONDUCT RELATING TO OFFENCES OF TERRORISM, RECEIVING STOLEN GOODS, MONEY LAUNDERING, SELF-LAUNDERING AND CRIMES AGAINST THE INDIVIDUAL

The Company recognises the considerable importance and value of the principles of democratic order and free political determination. For this reason, it condemns the use of its resources for financing and carrying out any activity aimed at achieving terrorist objectives or subversion of the democratic order.

The Company hinders any behaviour that may constitute or be linked to transnational offences related to criminal association, including mafia-type, money laundering, self-laundering, receiving and using money, goods and other benefits of unlawful origin.

In particular, the Company undertakes to:

- check the regularity of payments to all counterparties, also by verifying the coincidence between the person to whom the order is addressed and the person who collects the relevant sums;
- verify that all necessary information is requested and obtained with reference to the commercial/professional reliability of suppliers, consultants and partners.

Moreover, the Company recognises as a primary value the protection of personal safety, freedom and individual personality. Therefore, within the framework of the legislation in force, it undertakes to adopt the most appropriate control and supervisory measures in order to prevent any possible behaviour aimed at committing offences against the individual personality.

Any employee or collaborator who, in the performance of his or her activities, becomes aware of the commission of acts or behaviour as set out above, shall promptly inform his or her superiors and the Supervisory Board.

The ethical principles illustrated herein constitute the foundation on which the contents of Protocol 13 - "Terrorist Offences, Organised Crime Offences and Inducement not to Make Statements or to Make False

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Statements to the Judicial Authorities" - issued by the Company to regulate roles, responsibilities and control measures in this field, are based.

4. RULES OF CONDUCT RELATING TO COMPLIANCE WITH PROHIBITORY SANCTIONS

The Company is sensitive to transmitting to its employees and collaborators the ethical principles that must guide their activities, even in the event that the Company has been the subject of legal proceedings at the end of which its liability has been established pursuant to Legislative Decree no. 231/2001.

If, in fact, the administrative liability of the Company is recognised such as to justify the imposition of one of the prohibitory measures provided for by the Decree in Articles 13 et seq., all the Recipients of this Code of Conduct, as identified in the preceding paragraphs, shall be required to comply with the principle of compliance with the prohibitory sanctions provided for in Article 23 of Legislative Decree 231/2001.

Therefore, the Company condemns any active or omissive behaviour on the part of persons engaged (in various capacities) in carrying out the Company's activities, such as to cause the violation of the obligations arising from the disqualification measure that may be imposed on the entity following the assessment of administrative liability.

If the Company is subject to a disqualification sanction pursuant to Articles 13 et seq. of Legislative Decree no. 231/2001, it undertakes to provide full and timely information to the Supervisory Board and to all the Managers, as well as to all the Company's subjects in order to ensure compliance with the disqualification measure.

5. IMPLEMENTATION, MONITORING AND SANCTIONS

5.1. The Supervisory Board

The Code of Ethics represents a general principle that cannot be derogated from in the Organisation, Management and Control Model adopted by the Company. The body appointed to supervise the correct and punctual application of the Model as well as the compliance with the principles of this Code of Ethics is therefore the Supervisory Body, which shall suitably coordinate with the competent bodies and functions of the Company.

In the performance of its functions, the Supervisory Board has free access to the Company's data and information useful for carrying out its activities.

The corporate bodies and their members, employees, consultants, collaborators and third parties acting on behalf of the Company, are required to provide the utmost cooperation in facilitating the performance of the functions of the Supervisory Board.

5.2. Code compliance and reporting

The corporate bodies and their members, employees, consultants, collaborators and third parties acting on

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behalf of the Company shall promptly report to the Supervisory Board:

- any violation or inducement to violate laws or regulations, the provisions of this Code of Ethics, internal procedures and the components of the Model;
- any irregularity or negligence in the keeping of accounts, in the preservation of the relevant documentation, in the fulfilment of internal accounting or management reporting obligations;
- any request for clarification on the assessment of the correctness of one's own or others' conduct, as well as possible shortcomings in this Code of Ethics or proposals for its amendment and/or integration.

In order to facilitate reporting to the Supervisory Board by persons who become aware of violations, even potential violations, of the Model, the Company activates the following dedicated communication channels:

- the mailbox: odv@mann-hummel.com;
- the Supervisory Board P.O. Box at the Company's headquarters in Via della Pineta 23, 61032, Fano (PU)

Reports are kept by the Supervisory Board in accordance with the procedures indicated in its Rules. The identity of the person making the report is kept confidential, without prejudice to legal obligations.

5.3. Communication and training

The Code of Ethics is brought to the attention of interested parties, both internal and external to the Company, through appropriate communication activities.

Within the Company, the adequate knowledge and understanding of the Code of Ethics by all personnel is ensured through information and training programmes defined according to the rules established by the Organisation, Management and Control Model, of which the Code of Ethics is an integral part.

It is the responsibility of each employee to consult his or her line manager for any clarification concerning the interpretation or application of the rules of conduct contained in the Code of Ethics.

5.4. Disciplinary system

Compliance with the rules of the Code of Ethics must be considered an essential part of the Company's contractual obligations.

Failure to comply with the principles contained in this Code of Ethics may result in the application of sanctions in accordance with the law in force, the applicable CCNL and the 231 Sanctions System, which is to all intents and purposes an integral part of the Model and to which reference should be made.

Infringements by third parties will be sanctioned in accordance with the criteria set out in the specific contractual clauses foreseen.