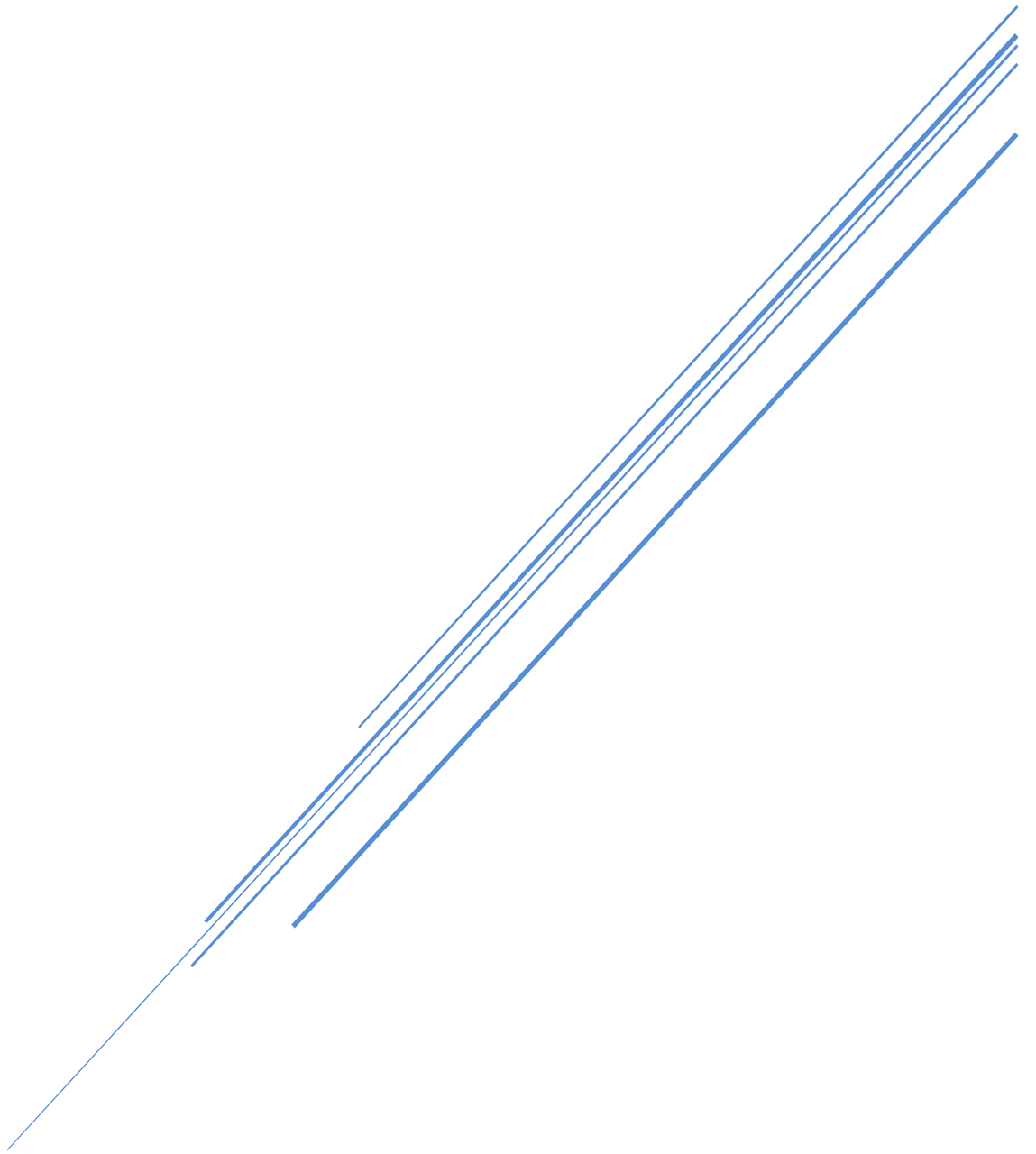


# CODE OF CONDUCT



## **CODE OF CONDUCT**

OMB is aware that ethics are essential, unavoidable elements of the production process of quality products for its customers and has adopted the present Code of Ethics in compliance with the national regulations covering the criminal law relating to bribery such as Italian Legislative Decree n.231/2001, UK Bribery Act, the US Foreign Corrupt Practices Act (FCPA) and other national laws in force in the countries with which OMB's works.

The code explains and states corporate values, identifying at the same time the body of rights, duties and responsibilities towards any interlocutors, internal and external to the company, in order to maintain a high level of standards, minimizing the risk of committing offences in pursuit of corporate activity and removing dysfunctional elements that are cause of inefficiency.

For the total fulfillment of purposes implied in the Code, OMB will periodically modify contents of the Code with the aim of updating on the basis of regulatory developments and experiences gained to which everybody have to contribute.

Managers, employees and Third Parties such as suppliers, external collaborators, consultants, contractors, and trade partners must have knowledge of the Code and must contribute to its implementation.

The company will monitor the enforcement of the Code, setting up the adequate tools of information, prevention and control, ensuring full transparency in actions and behaviors and if necessary contemplating disciplinary sanctions.



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## **1. ADDRESSEE OF THE CODE OF CONDUCT**

The Code of Conduct must be followed by all those who work for OMB or Third Parties who represent the Company.

ARE INCLUDED:

- Members of the Board of Directors, Members of the Management Committee, employees
- Consultants, Suppliers and Agents
- Third Parties
- Subsidiaries: the entities for which OMB owns more than 50% of the voting rights, or has the right to control the entity, are required to adopt and adhere to the OMB compliance policies
- Non controlled affiliates: non controlled affiliates should be encouraged to adopt and follow OMB Compliance polices
- Clients

OMB employees working with Third Parties, such as consultants, agents, sales representatives, distributors and independent contractors must:

- Require Third Parties and Stakeholders to agree and comply with relevant aspects of OMB's compliance policies
- Provide accurate trainings with information and detailed education concerning relevant aspects of OMB's policies requirements
- Take immediate actions, up to and including terminating a contract, in case of violations of the OMB's policy system in force by a Third Party

***This Code of Conduct represents an introduction to the OMB's Anti-Bribery & Corruption Program in its complex (Code of Conduct, Anti-Bribery Policy and related Policies & Procedures etc.).***

## 2. PRINCIPLES OF CONDUCT: MANAGERS

***All Managers have the responsibility to create an adequate compliance culture in which employees can understand their role and obligations and feel comfortable raising any type of issue without fear of retaliation. Responsibilities of Managers include encourage ethical conduct and compliance with laws by personally leading compliance efforts; consider compliance efforts when evaluating and rewarding employees; and prevention, identification and response to compliance matters.***

All Managers must prevent any potential issue of compliance with the company policies and local regulations through the following activities:

### PREVENTION

- Give the example of integrity, through the personal implication in compliance efforts with proactive actions
- Ensure that the company personnel understand that business results can never be more important than ethical behavior and compliance with OMB policies
- Create an environment opened to any kind of signal, even if it doesn't lead to the identification of a real issue
- Provide periodical training to Employees, OMB's Board members and all Third Parties on national regulations, company policies and applicable laws

### IDENTIFICATION

- Identify any business compliance risks
- Leading relevant processes related to compliance matters and controls
- Implement control measures in order to identify potential increase of violations risks

### REACTION

- Promptly take corrective actions to solve identified weaknesses in the compliance sectors
- Provide supporting documentation and submit to the Management Committee any concern raised by the company personnel
- Take appropriate disciplinary actions
- Consult with OMB's Compliance Manager in order to assure appropriate disclosures to regulators and law enforcement authorities

***It is part of the Managers' responsibilities to promptly report known cases of Bribery and corruption that involve any OMB's personnel with eventual Supporting Documents through the anonymous whistleblowing system adopted by the company which provides the obligation to report to the Compliance Committee at the following email address: [compliance@ombvalves.com](mailto:compliance@ombvalves.com).***

### **3. PRINCIPLES OF CONDUCT: EMPLOYEES**

***All OMB's employees can contribute to the OMB's culture of compliance by understanding, enforcing and avoiding violations of OMB's policies and national regulations.***

Employee's responsibilities are:

**A. Understand and comply to all OMB's policies**

- Fully understand the policies' requirements with special attention given to the scope here highlighted
- Learn all relevant aspects related to the policies connected to proper business activities

Check the OMB's web site ([www.compliance.ombvalves.com](http://www.compliance.ombvalves.com)) for the complete and up-to-date compliance policies.

Talk with your Direct Superior, the Department Managers or the Management Committee, for any questions about the policies.

**B. Assure to be updated and aware of all relevant changes in laws or internal policies**

All OMB personnel must keep informed any possible developments and updates in the area or in the field that may have an impact on OMB's Business activities connected to their areas and possible violations of laws and regulations or results in the OMB reputation in the market.

All employees should be aware that the company is entitled to verify, control, monitor, intercept, access, and disseminate information stored on OMB's equipment and technologies or devices that have access to OMB networks.

**C. Report any doubt concerning potential issues**

The company personnel must:

- Promptly raise any concerns about potential violations of OMB policies
- Understand the different ways for raising any concerns about the respect of OMB's policies and compliance system: Compliance Committee, OMB's Compliance Manager, Departments Managers and any Direct Superior
- In case of known violations of Bribery and Corruption laws by any OMB's personnel promptly report the issue through the anonymous whistleblowing system adopted by the company which provides the obligation to report to the Compliance Committee at the following email address: [compliance@ombvalves.com](mailto:compliance@ombvalves.com).
- If the concern has not been resolved yet, pursue the issue and raise it through another of OMB's channels mentioned before
- Collaborate fully and honestly in any company investigations related to compliance and integrity concerns



#### 4. OMB VALUES: RESPECT OF REGULATIONS

***All OMB's policies are based on government laws and regulations. National and international regulations impact every business activity and company personnel. Regulators establish and define the rules that must be observed in conducting business activities in order to assure compliance with these critical regulations and to maintain OMB's reputation.***

Because of evolving of the regulatory environment, OMB is subject to a growing number of laws and enforcement activities around the world; all OMB's personnel must be aware and committed to regulations.

Here below a list of examples of responsibilities that employees have to keep in mind while absolving their working activities:

- Be aware and comply with OMB's policies regarding scope of their business activities
- Be aware of the specific regulatory requirements of the country and region where business activities are performed and that affect your scope
- Treat regulators with professionalism, courtesy and respect
- Reach a basic understanding of the key regulators and the regulatory requirements and priorities referring to business activities
- Immediate report of any red flags or potential issues that may lead to a regulatory compliance breach contacting by email the Compliance Manager and, in case of known cases of Bribery and Corruption, through the anonymous Whistleblowing system of the Company (for more detail please refer to the OMB's Anti-Bribery Policy)

For what concerns the responsibilities of Managers they can be listed into three major Types of activities:

##### LEAD

- Make sure that the team is committed to compliance with the policy and with regulatory requirements and risk management
- Insert regulatory requirements into key OMB'S policies

##### ASSESS

- Identify the key regulators and regulatory requirements concerning business activities at a OMB's level
- Define personnel in charge for high risk areas and assure that they coordinate with any relevant government relationships and corporate regulatory specialists
- Implement a policies and procedures system in order to regulate sensitive processes and to prevent risks, including new and changing regulations

##### CONTROL

- Implement a system of monitoring of OMB's compliance with regulations on a periodical basis

Because of the importance for OMB of the respect of national regulations, integrity becomes relevant for OMB and all its personnel. When an issue of compliance is raised it makes the company stronger and protects at the same time all the employees from negative consequences. All OMB's personnel which have a concern about potential compliance violation with national regulations and company policies have the responsibility to raise that concern (escalating the issue to the Compliance Manager, the Compliance Committee and, in case of known breaches, through the anonymous Whistleblowing system of the Company).

It is not necessary to be certain that a violation has taken place. It is instead relevant and mandatory to promptly raise the issue whether there is a situation in which the company policies and principles and integrity are not followed.

OMB assures and respects confidentiality. Employees can choose to remain anonymous, even if the company suggests indicating the identity in order to be able to contact employees to give an answer. Employee's identity and information will be shared only with those who need to know them.

OMB prohibits any form of retaliation, direct or indirect, against employees who have reported an issue and will penalize with disciplinary actions the responsible up to and including termination.

OMB provides a number of channels to report problems. Employees can decide to talk to someone, to make a written report or to use the anonymous Whistleblowing system. Usually it is suggested to report any problem to the Direct Superior and if necessary to the Compliance Manager. If it is not possible to report the issue to your Direct Superior employees can contact:



- The Department Manager
- The HR Manager
- The Compliance Manager
- The Compliance Committee
- The Management Committee
- OMB's Board of Directors

***In case of known violations concerning Bribery and Corruption all OMB's personnel must use the anonymous Whistleblowing system implemented by the Company. Reports should be as detailed as possible and, if existing, supported by related documentation.***

Concerns about compliance with national regulations and company policies will be investigated. OMB's investigation process includes:

- Define responsible/s of the investigations depending on Department involved
- Conduct an investigation: the responsible(s) will determine the facts through interviews and/or analyzing the supporting documents
- If necessary corrective actions will be implemented
- The person who has raised the concern, if known, will receive feedback on the outcome

***It is also possible to report cases of questionable integrity in relation to bribery issues, accounting, internal accounting control or auditing, or other situations contacting the Compliance Committee through the email: [compliance@ombvalves.com](mailto:compliance@ombvalves.com)***





## **5. FACILITATION / IMPROPER PAYMENTS**

**Bribery** means corruptly giving someone else a valuable thing in exchange for exercising discretion and obtaining favors.

**Facilitation / Improper payments** are payments of a small amount of money to expedite a routine action to which a person is entitled.

*A facilitation / improper payment or bribery act to gain advantage in any situation is never accepted by OMB and exposes any employee and the company to possible criminal prosecution. Facilitation / improper payments should not be confused with reasonable and limited expenditures for gifts, business entertainment and customer travel and living expenses directly related to the promotion of products or services or the execution of a contract. These payments are acceptable, subject to specific OMB corporate and business guidelines (Please refer to "OMB Business gifts and entertainment policy").*

***OMB expressly prohibits facilitation / improper payments in all business dealings, in every country around the world, with both governments and private sector.***

All OMB personnel, before giving a gift, engaging in customer's entertainments or travel expenses must ensure of the following situations:

- Make sure to have correctly understood applicable legal requirements, respect all OMB's policies and guidelines and to be conscious of all customer's policies
- Never offer a business courtesy, such as a gift, contribution or entertainment, under circumstances that might appear improper
- Never offer, promise, pay or authorize anything of value (such as money, goods or services) to a government official or to customer's employees in order to obtain or retain an improper advantage
- Remember that the act of offering gifts, entertainment or other things of value to government's employees are subject to strict regulation and is often prohibited
- Make sure that records of such expenditure have been performed properly and accurately reflect the true nature of the transaction

OMB's employees, in dealing with business activities should never contribute to company funds, with specific reference to the public sectors. Some examples of behaviors that need to be avoided are listed below:

- Do not provide gifts and entertainment for political purposes
- Follow the OMB guidelines concerning all kinds of gifts, entertainment or other business courtesies (please refer to "OMB Business gifts and entertainment policy")
- Treat with caution any demand to receive a commission payment before the announcement of an award decision
- Distrust any suggestion to direct business activities through a specific representative or partner depending on a previous "special relationship"
- Disbelief of any request to make a payment in a countries or to Third Parties not involved in the transaction
- Doubt of commissions that are not in line to the services provided / signed contracts
- Never give a gratuity or other payment to government officials or employees to speed-up administrative routine actions without discuss it previously with the OMB's Compliance Manager
- Require any Independent Third Person who represents OMB (such as consultants, agents, sales representative, distributors or contractors) to comply with OMB Code of Conduct and related laws

Some national laws in prohibiting bribery outside that nation include an exception for "facilitating payments" to expedite a routine administrative action to which a person is otherwise entitled. These payments are often illegal under local anti-bribery laws, and OMB strongly discourages them.

## 6. MONEY LAUNDERING PREVENTION

*Nowadays in more than 100 countries national regulations have settled specific laws against money laundering, which prohibit criminal activities in transactions such as legitimate funds that may be used to finance terrorist activities (i.e. "reverse" money laundering).*

*OMB requires to fully complying with the anti-money laundering and anti-terrorism laws in force in all countries with whom it works. As consequence OMB established to conduct business only with trustworthy customers involved in legitimate business activities and with funds coming from legitimate sources.*

*All Department Managers who has to deal with Third Parties has to implement specific risk-based assessment (please refer to OMB's internal policies regarding the due diligence processes) in order to assure an effective money laundering prevention. Specific risk-based assessment must be performed in addition for new clients in order to be sure of its compliance with Anti Money Laundering regulations.*

When assessing new Third Parties / Clients / Suppliers, OMB's personnel must:

- Assure a full compliance with all applicable laws and regulations that prohibit money laundering and any form of terrorism financing
- Reach fully compliance about how these laws apply to specific business activities
- Have an overall understanding of the proper client through the analysis of supporting documentations about potential customers, agents and commercial partners information to ensure the legitimation of their business activities
- Adhere to all OMB's requirements internally defined in reference to the specific areas of business, concerning acceptable forms of payment
- Keep informed about any possible updates of payments types associated with money laundering (i.e. several money orders / travelers checks or checks on behalf of a customer from an unknown Third Party)

In case of new customers, suppliers, agents and dealers, employees are responsible for the execution of the following Integrity analysis on the Counterparty:

If Italian:

- Request to the Counterparty of an Anti-Mafia self-certification and / or verification of the presence of the Counterparty in so-called "White List".

If foreign:

Verification of the presence or absence of the Counterparty in the appropriate terrorist Watch list maintained and published by the European Union, OFAC ("Office of Foreign Assets Control" - Treasury Department of the United States) and the ONU organization.

All OMB's employees noting out suspicious activities must raise their concerns with the Direct Superior/Department Manager or the Company's Compliance Manager in order to be able to solve promptly any concern, and in any case before proceeding with further transactions.

In dealing business activities, it is also required to pay attention and take into consideration situations such as:

- Customer, agent or proposed business partner who is reluctant to provide complete information or has provided insufficient / suspicious and/or false information, or is acting anxiously to avoid reporting or record keeping requirements
- Payments through monetary instruments that have no apparent links to the customer, or seems to be money laundering mechanisms
- Attempts by a customer or proposed commercial partner to pay in cash
- Anticipated repayment of loans in cash or equivalents
- Unusual orders, purchases or payments in consideration of customer's trade or business
- Unusual or illogical fund transfers to or from countries not related to the transactions in force
- Transactions occurred in countries identified as areas of terrorist activity, narcotics trafficking or money laundering activities
- Transactions involving offshore banks, currency exchangers, or nonbank financial intermediaries

***Know the customer and be alert about the possible illegal activities.***

## 7. MANAGEMENT OF THIRD PARTIES

***OMB requires Third Parties who represent the Company to Conduct Business activities in a manner that is consistent with the OMB Code of Conduct and related Policies & Procedures.***

Each OMB Department and Manager must be sure that all Third Parties are identified, approved, rated at a specific risk level and managed in accordance to the forecasts of the company.

“**Third Parties**” includes any person or entity with which OMB does business and includes, but may not be limited to, any of the following when they do business with OMB or otherwise act on OMB’s behalf:

- Consultants
- Suppliers
- Distributors or Resellers
- Agents / Sales Representatives
- Independent Contractors

All employees, in dealing business activities with Third Parties must:

- Implement a selection process for all Third Parties proposed in order to assure the adequacy and the professionalism of the counterpart
- Carefully identify the risk level for each Third Party who acts on behalf of OMB to obtain or maintain businesses, clients, licenses or who relate and maintain relations for OMB with government officials / government enterprises / government agencies and enterprises through specific analysis.
- Verify that the higher levels of security has been assigned to any Third Party operating in high risk countries (Please refer to the corruption Perception index defined annually by Transparency International, Website: <http://www.transparency.org>)
- Acquire from all Third Parties a written declaration of acceptance and respect of OMB’s Code of Conduct and other policies related to the Areas Identified
- Request and receive authorization by OMB Management Committee, when needed, for the appointment of the Third Party to represent OMB. Submit supporting documentation regarding the identification and risk rating of new Third Parties to the OMB’s Compliance Manager for review and approval to proceed

***If potential risks are identified, employees must escalate it to the Direct Superior/Department Manager and to the Compliance Manager to ensure that Third Party is managed properly.***

## **8. RELATIONS WITH SUPPLIERS**

**OMB's relationships with suppliers are based on official, efficient and fair practices. OMB expects its suppliers to respect laws requiring them to treat workers fairly, provide a safe and healthy work environment and assure and protect environmental quality.**

OMB's personnel must follow OMB's procedures in order to ensure that suppliers' relationships will not be able to damaged company's reputation.

Before establishing any relationship with suppliers the functions responsible for selection must assure that:

- All relationship with suppliers are based on good practices and legal requirements
- Suppliers comply with all legal requirements and OMB's guidelines relating to labor environment, health and safety

All employees, in dealing business activities with the suppliers, must:

- Verify to obey to all applicable laws and regulations applicable to supplier relationships
- Fulfill all government acquisition regulations while managing the purchasing materials and services processes satisfying contract's terms with governments
- Adhere to all company's procedures on liabilities of OMB's suppliers
- Protect OMB's confidential and proprietary information with confidentiality agreement
- Avoid conflicts of interest while selecting suppliers, and never accept illegal gifts or other items of value
- Avoid leading business activities with a supplier owned or managed by a public relative or close friend

In addition the selection process for new suppliers must be based on objective criteria such as:

- Unit price and overall, currency and terms of payment
- Quality of the products offered
- Delivery time
- Terms of delivery

If any suspect of human rights violation in the supply chain to OMB is raised, it is request to promptly report the issue to your Direct Superior/Department Manager or to the Compliance Manager.

Any additional concerns related to unsafe conditions or apparent lack of environmental standards in OMB's suppliers facilities or employees who do not seem to be of the age or being forced to work, must be reported to your Direct Superior, Department Manager and/or to OMB's Compliance Manager.

***Taking in consideration the reputation of integrity to OMB which may be heavily influenced by those who we choose as suppliers, OMB has decided to work only with suppliers who support the Company's values and high standards of integrity in line with those of the OMB.***

## 9. INTERNATIONAL TRADE CONTROLS

***International Trade Control laws (ITC) affect the transmission of goods, services and technologies across national borders that can be used for military purposes or for the production of weapons. These laws apply to many aspects of OMB's Business activities, not just shipping products, but even including exchanges of information across national boundaries. Some penalties defined by governments (i.e. embargoes or boycotts) can prevent the trade of most of goods and services with specific nations. It is important for OMB to strictly observe ITC laws in connection with these activities.***

As a consequence of the above consideration OMB has decided to comply with relevant ITC national Regulations in the countries where it conducts business activities also through the respect of OMB's policies connected to importing and exporting goods, technology, software, services and financial transactions. All OMB's employees must keep in consideration the following instruction:

Concerning Import activities:

- Follow all company procedures regarding importation of goods
- Use only the customs agents approved by OMB
- Issue accurate, complete and timely reports for what concerns imports declarations and provide accurate and complete product descriptions for the classification of goods
- Report all relevant information to the Direct Superior or to the Department Managers in order to ensure accurate and complete import declarations
- Obtain approval from Department Managers before self-transporting commercial products across the border

Concerning Export activities:

- Follow all company procedures relating to the export of goods
- Check the export classification of the product prior to export to determine whether special authorization is required
- Screen your transactions against all applicable rules that restrict transactions with certain sanctioned countries, persons and prohibited end use
- verify that all business partners, suppliers and Third Parties involved in international transactions have been subjected to controls with the lists of reference defined by governments
- Do not cooperate with any restrictive trade practice or boycott that is prohibited or penalized under EU and US or other applicable local laws
- Consult with the Direct Superior/Department Manager and with the Compliance Manager if a transaction involves a conflict between EU / US laws and applicable local laws, such as the laws adopted by Canada and the members of the European Union blocking certain US restrictions
- Ensure to have received all the necessary licenses and permits before any export and complying with all the requirements of export license or license exceptions

All OMB'S employees must pay attention to the following aspects, and in case to doubtful situations verify with the direct Superior if it is possible to proceed with business activities:

- Any potential "red flags," that suggest that the customer may be attempting to evade ITC laws (a complete list of "Red Flags" is available from the Bureau of industry and security site found at <http://www.bis.doc.gov/>)
- Elusive, reluctant or otherwise unsatisfactory answers received by a customer to questions about end use, end user, delivery dates or delivery locations
- Involvement of parties or activities with suspected connection with the development of biological, chemical or nuclear weapons, or ballistic missiles
- Transactions involving embargoed countries, citizen or representative of an embargoed country or an individual or entity subject to government sanctions
- Invoices on imported goods with incorrect prices shown in relation to the real value, incomplete description of goods or incorrect identification of the origin countries
- Use of an import tariff classification that does not match in description with the imported goods

All OMB's employees must properly identify goods exported, destination, users and the end use, making sure to provide complete and accurate customs documents.

As part of the International Trade Control laws (ITC) concerning the transmission of goods, OMB includes the aspect regarding the acquisition and the use of minerals from OMB suppliers.

Conflict material refers to the minerals originating from the Democratic Republic of the Congo (DRC) sometimes mined and sold to "finance conflict characterized by extreme levels of violence".

Some of these minerals and the metals created from them can make their way into the supply chains of the products used around the world, including those in the oil and gas industry (for more detail please refer to the OMB's Conflict Minerals Sourcing Policy).

OMB, in his production process avoids the use of Conflict minerals in accordance to the OMB's Conflict Minerals Sourcing Policy. As part of OMB commitment to corporate responsibility and respecting human rights in operations and in supply chain, it is OMB's goal to seek to use tantalum, tin, tungsten and gold in our products that are "DRC conflict free" while continuing to support responsible in-region mineral sourcing from the DRC and adjoining countries.

OMB expects its suppliers to have in place policies that will enable the company to reasonably assure that products and components supplied to OMB containing conflict minerals are DRC conflict free.

In accordance with OMB policy the Company:

- Encourage suppliers to comply with OMB's Conflict Mineral Sourcing Policy
- Collaborate with OMB suppliers and others on industry-wide solutions to enable products that are DRC conflict free
- Commit to transparency the respect of Conflict Material policy by making available reports on OMB progress

## 10. DUAL USE ORDERS

***With reference to OMB's system it is relevant for the company to be sure to handle in a proper ways all the activities related to the management of orders that may be subject to Export Controls regulations, with specific reference to the "Dual Use" materials and export limitations to embargoed countries.***

OMB has to adhere and comply with specific regulation set by the EC regulations.

The specific guidelines concerning "Dual Use" Materials are applicable to all orders and shipping activities regarding of all type of valves.

All OMB's employees involved in sales and shipping activities of Dual Use materials must:

- Fully comply with OMB's Dual Use Orders Guidelines policy
- File the request and follow up on the approval process as required by OMB's policy
- Verify that the customer has properly completed the requested forms
- Keep all the specific relevant supporting documents updated in order to be able to reconstruct the process of identification and authorization if necessary
- Prior to proceed with the shipment verify if the country of destination is within the Embargoed Country List
- Verify if a report has been sent to the government office for Dual Use materials which need to be exported to countries where a statutory approval is not required
- Verify that specific clauses are included in contracts of sale / delivery before to proceed
- In case of any doubtful situation involve the Direct Superior/Department Manager or the Compliance Manager to clarify the issue

***In case of doubt on the applicability of regulations and others national regulations the Administrative Department must be involved and provided with all the relevant information.  
For more detailed information please refer to the Dual Use Orders Guidelines policy.***



## 11. COMPLYING WITH COMPETITION LAW

The framework for the major requirements concerning competition and antitrust laws are:

1. Prohibition to maintain relations or establishing agreements between competitors in the market in order to distort competition
2. Regulation of dominant companies behavior
3. Obligation of preventive advice and if necessary clearance, for what concerns mergers, acquisitions and certain other transactions, in order to prevent cases of substantial reduction of the competition

Taking in consideration the various and complex settlement of laws and regulations all OMB personnel must pay attention while addressing contacts with competitors, managing acquisition of sensitive data about competitors, participating in professional associations and standards setting and product certification organizations. As a consequence, it is often recommended to involve OMB's Compliance Manager when developing new business relations with presence of uncertainties in the application of these laws.

All OMB personnel must:

- Comply with all applicable competition laws and regulations with regards to guidelines for the conduction of businesses
- Fully understand OMB's business-specific policies and in case of any question or issues promptly contact OMB's Compliance Manager
- Do not define or enter into agreements, written or otherwise, even if informally, with any competitor regarding any aspect of the competition between OMB and the competitor, or any kind of contacts that could create the appearance of improper agreements or understandings
- Do not discuss with competitors about:
  - Prices
  - Bids
  - Sales territories, allocation of customers or product lines
  - Terms or conditions of sale
  - Production, sales capacity or volume
  - Costs, profits or profit margins
  - Market share
  - Product or service offerings
  - Distribution methods
- Do not enter into arrangements with customers defining prices or other conditions that allow customers to resell at a later date products or services to a Third Party
- Check with OMB's Compliance Manager about non-compliance risk in the evaluation of any proposed merger, acquisition, joint venture or any other business arrangement

In dealing business activities, it is additionally requested to pay attention and take in consideration:

- Limited arrangements concerning purchase or sale of products and services
- Technology licensing-agreements restricting the freedom of the licensee or licensor
- Define a discounting price for specific customers

***Do not make agreements with competitors that restrict and distort customer's benefits.***



## 12. WORKING WITH GOVERNMENTS

***OMB can conduct business with government officials and/or with companies owned by government; as a consequence it is frequent for OMB to work and interact with government agencies, officials and public international agencies. OMB's employees must comply with all national law and regulations with which the Company enters in contact.***

The terms "**Government Officials**" means employees, officers or members of an executive body elected or appointed, legislative or administrative of a federal, state / provincial or local government of any country. This includes agencies, departments or public companies / subsidiaries employees. Public companies or controlled may include hospitals, oil companies, airlines, television, public universities, sovereign wealth funds, central banks and pension funds.

OMB reaches the highest compliance standards in its work with Public Administrations, agrees to comply with all the terms and conditions of contracts and the applicable laws and regulations.

All OMB personnel must:

- Adhere to applicable laws and regulations applicable to relationship with governments and specific requirements associated with government contracts and transactions
- Require to anyone working with the Company in governments contract and/or administrative practices (i.e. consultants, sales representatives, distributors or suppliers) to agree and comply with OMB's policies & procedures
- Be transparent and precise when dealing with government officials or agencies
- Assure accurateness and completeness in the reports, certifications, statements and proposals communicated and respect of contracts requirements
- Do not make any unauthorized replacement for contract requirements without the written approval of the authorized government official

In dealing business activities, employees must take care of difficult situations such as:

- Incorrect or unauthorized cost-charging on government contracts
- Deviations from contract requirements or unauthorized contract substitutions
- Submission of erroneous and/or incomplete cost or pricing data when requested by the government
- Violation of national regulations that establish privilege, recruiting and hiring limits
- Acquisition of protected information about competitors for a government's competitive selection of suppliers
- Recruitment of family members of public officials to acquire the advantage in the decision-making process about contracts with the government

***Never choose the easier way when dealing with government officers or agencies, be transparent and always respect the rules.***



### **13. FAIR EMPLOYMENT PRACTICES**

***OMB respects fair employment practices not just for compliance with applicable labor and employment laws but even in order to create a culture of respect within the company. OMB complies with all regulations concerning freedom of association, privacy, collective bargaining, immigration, working time, wages and working hours, child labor and all other laws related to employment discrimination.***

In order to fully comply with all requirements of labor law and to contribute to the creation of a respectful environment within the company, all OMB's personnel must:

- Make decisions about employees according to job qualifications (i.e., education, prior experience) and merit (skills, performance, values etc.), without regard to a person's race, color, religion, national origin, sex (including pregnancy), sexual orientation, age, disability, veteran status or other characteristic protected by law
- Build a working environment without harassment or bullying
- Comply to the privacy rights of employees in activities related to the use, maintenance and transfer of personal data, even reserving to the company the right to monitor the use of company properties (computers, email, phones, proprietary information, etc.) in accordance with applicable law
- Manage every conflict concerning requirements of internal policies and national laws, consulting with Department Managers, OMB's Compliance Manager and if necessary the Management Committee to determine how to handle the situation

In dealing business activities, is prohibited to all OMB's employees to:

- Create a hostile work environment through wrong behaviors such as telling jokes or offending a member of a particular race or ethnic)
- Raise sexual advances to another employee or person with whom you work
- Violate labor national laws (i.e. hiring a child under the legal minimum age)
- Refuse to work or cooperate with certain individuals because of their race, religion, sex
- Reveal employment data to someone not because of business reasons or need
- Take adverse actions against employees (i.e. firing) because the employee has raised a concern about a violation of policies or national laws

***Treat all employees fairly and with respect.***

## 14. PERSONAL DATA PROTECTION

***Nowadays an increasing number of countries are stringently regulating the collection and use of consumer's, Third Parties and personnel's personal data (names, contacts information, and other data). In addition, many countries regulate personal data of company's representative's business transactions.***

***OMB handles with responsibility all personal data received by employees and customers in compliance with all applicable privacy laws.***

OMB's policies define the following guidelines:

- Comply with all applicable laws and regulations or contractual clauses applying to personal data collected processed and used
- Limit the collection, use and process of personal data to legitimate business purposes only
- While handling personal data use them with as many as possible anonymous data (names removed and not identifiable) or aggregated data (summarized to be difficult to refer to an individual)
- Allow the access to personal data only to individuals which need it for legitimate business purpose
- Strictly prohibit access in processing of personal data and monitor the respect of internal policies to prevent impairment loss and/or destruction of sensible information

It is forbidden to all OMB personnel to:

- Perform inadequate access or avoid security controls to personal data, (i.e. spread of personal data to not legitimate people because of carelessness behaviors such as leaving printouts with personal data at the printer, copy machine or fax machine)
- Share Personal data with Third Parties, such as vendors or suppliers, not authorized or who lack of appropriate security safeguards for the management of personal information
- Transmissions of personal data among countries, without taking in consideration all national regulations in force

## 15. ENVIRONMENT HEALTH AND SAFETY

***Laws and regulations protecting the environment and the health and safety of employees are fully met by OMB through the conduction of business and operations in a manner as safer as possible and in order to minimize environmental impacts of its activities. This policy affects all OMB's personnel and Third Parties involved in OMB's activities.***

All OMB personnel must:

- Fully comply with all applicable environmental health and safety (HSE) laws through the respect of OMB's related policies and procedures
- Create and preserve a safe working environment and prevent workplace injuries
- Consult Quality & HSE Management ensuring legal and reputational risks before starting a new manufacturing activities
- Carefully consider HSE impacts in production processes and in all potential risky processes / activities as part of the life cycle of OMB's products
- Promptly alert the Direct Superior, Department Manager or Quality & HSE Management for illegal or unsafe conditions / actions

In dealing production activities, it is requested to pay attention and promptly report situations such as:

- Unsafe activities and conditions
- Lack of use of personal protective equipment (i.e. shoes, safety glasses, hearing protection, gloves, etc.)
- Fire or emergency exits out of order
- Safety controls or guarding on equipment and machinery disabled
- Cases of no full compliance with health, safety or environmental regulations and procedures
- Unreported environmental, health or safety hazards or accidents
- Missed opportunities for reducing injuries
- No complete compliance with OMB's policies & procedures in management activities related to HSE aspects.
- Existence of inadequate procedures or practices that may present safety threats and environment

***Follow the OMB's HSE policies and pay attention in order to ensure safety of employees and avoid environmental impacts.***

## **16. INTELLECTUAL PROPERTY**

***For OMB the intellectual property represents a valuable asset. All OMB's employees must work together to safeguard company's patents, trademarks, copyrights, trade secrets and other proprietary information. As a consequence it is critical to respect all the valid intellectual property rights.***

Any unauthorized use of external's intellectual property expose the Company and all its employees to civil law damages, including significant fines and criminal penalties.

A key to protect Company's intellectual property guarding against those types of risks, is to timely and reasonably review the new OMB's products, services, processes and software, for possible inventions and trade secrets and infringement of the intellectual property rights of others.

All OMB's personnel involved in activities of research, development or any kind of use of potential protected intellectual properties must:

- Identify and protect OMB intellectual property
- Respect valid patents, copyrighted materials and other protected intellectual property of others
- Consult with the Direct superior, Department Manager or with OMB's Compliance Manager concerning necessary licenses or approvals to use protected intellectual property of others such as patents, trademarks or proprietary information (i.e. information that is in confidence and not publicly known or generally available)
- Consult with the Department Manager and OMB's Compliance Manager before:
  - Soliciting, accepting or using proprietary information of outsiders
  - Disclosing OMB proprietary information to outsiders
  - Permitting outsiders to use OMB intellectual property
- Consult with the company's Compliance Manager if you have any question about these responsibilities

In dealing business activities, it is requested to pay attention to the following risk situation:

- Accepting proprietary information belonging to an outsider, without first consulting company's Compliance Manager
- Using another company to develop new products or software without a written agreement in place covering ownership and other rights in the developed intellectual property
- Introducing or providing information about, a new product or service before patent applications that have been filed or a decision has been made not to file an application
- Introducing a new product, or new product name, before checking for patent or trademark infringement
- Threatening anyone suspected of infringing any OMB's intellectual property without first consulting with OMB's Compliance Manager
- Employing a new person, especially a person who previously worked for a competitor, without putting in place safeguards to prevent the person from inadvertently disclosing or using the proprietary information of the previous employer

***All OMB's employees have the responsibility to protect the company's Intellectual Property.***

## 17. IT SECURITY MANAGEMENT

***OMB's purpose is to protect the security of all employees through the care of workplaces, information and businesses.***

As regards the security of information systems OMB aims to ensure the maximum protection for a fair and safe management and use of its information systems.

The overall objective of the security of corporate information systems is to ensure their continued operation to support the company's business and to prevent and minimize the risks of economic damage, decline of the image of the company and of civil and criminal penalties arising from security incidents on the system components as well as behaviors do not conform to the provisions of laws.

The overall objective of safety results in the pursuit of the following specific objectives:

- Ensure the availability of IT resources to ensure continuity of service delivery information / telematics, in the manner and time prescribed
- Ensure the integrity of managed information systems and other resources used for their treatment, in order to ensure their accuracy, consistency and perfect operation
- Protect the confidentiality of information, avoiding their consultation and unauthorized disclosure
- Ensure compliance and compliance with the provisions of law relating to computer security

To achieve those objectives contribute to the adoption of consistent organizational behavior and the use of security measures.

The basic principles of security measures are as follows:

- Clear definition of the owner of the resource
- Census and classification of the resource
- Safety measures appropriate to the risks
- Residual risk contained within the acceptable level of the Company
- Safety designed and integrated in the resource and its entire life cycle
- Regulatory Compliance
- Balance and consistency of security measures
- Updated documentation of security measures
- Controllability of the changes to the security measures
- Information, awareness and empowerment of employees
- Monitoring of security measures
- Continuous improvement of safety
- Periodic review of security

## 18. CONTROLLERSHIP

The term Controllership includes three fundamental elements:

- a. Company's rules to classify transactions and balances appropriately
- b. Systems and controls that protect assets and accumulate information consistently and correctly
- c. Timely and impartial systems of financial and transaction reporting

Controllership system is useful to create right environment for disclosing timely, reliable and accurate information to public and government agencies.

All OMB personnel must:

- Follow OMB's Accounting policies, as well as applicable generally accepted accounting principles, standards and regulations for accounting and financial reporting
- Ensure that financial and nonfinancial information are reported accurately and timely
- Maintain complete, accurate and timely records and accounts to properly reflect all business transactions
- Safeguard all company assets (physical, financial and informational)
- Provide timely, truthful forecasts and assessments
- Preserve documents and records relevant to pending or potential litigation, audits or investigations

In dealing business activities, it is requested to pay attention, and promptly report situations such as:

- Financial results that seem inconsistent with underlying performance
- Inaccurate financial records, such as overstated travel and living expense reports, or erroneous timesheets or invoices
- Transactions that are inconsistent with good business economics
- Absence of controls to protect assets from risk of loss
- Circumventing review and approval procedures
- Inadequate routines and controls to preserve documents (including email) for pending or potential litigation, audits and investigations
- Disposal of documents without knowing what is being discarded or whether the documents are subject to legal preservation requirements
- False or exaggerated statements in email, presentations or other documents

***Be honest and accurate in reporting, in communications and decision-making.***

## **19. CONFLICTS OF INTEREST**

***A conflict of interest is not necessarily a violation of the OMB policy, and every failure in declaration of conflicts has to be considered violations. All OMB's employees should note that all the activities that they carry out in their free time should not conflict with proper responsibilities to OMB. Any activity at work or at home should hurt OMB's reputation or good name.***

A conflict of interest is a situation in which a person or a Company is involved in multiple interests (financial, emotional, or otherwise), one of which could possibly corrupt the motivation of the individual or organization to such an extent as to create a risk that professional judgment or actions regarding a primary interest (the principal goals of the profession or activity, such as the protection of clients, integrity or and the duties of public office) will be unduly influenced by a secondary interest (not only financial gain but also such motives as the desire for professional advancement and the wish to do favors for family and friends).

All OMB personnel must:

- Reveal in writing to the Direct Superior or to the OMB's Compliance Manager, all outside activities, financial interests or relationships that may present or create a conflict or the appearance of one
- Use good judgment in all personal and business dealings outside your OMB job
- Avoid actions or relationships that may cause potential conflicts or create the appearance of a conflict with your job or OMB's interests
- Do not misuse or use for personal reasons OMB resources, intellectual properties or facilities (including office equipment, email and computer applications)
- Do not take for yourself any opportunities that OMB could be interested in and that are discovered through the use of OMB position, information or properties
- Get approvals before accepting officer or director positions with an outside business while you are a OMB employee
- Get your manager's approval when accepting not-for-profit board positions, particularly if the organization has an OMB relationship or might expect OMB financial or other support

In dealing business activities, it is requested to pay attention to situations such as:

- Financial interests in a company where you could personally affect OMB's business with that company
- Gifts or others than nominal value from suppliers, customers or competitors, particularly if you're making decisions (on OMB's behalf) that involve them
- Personal discounts or other benefits from suppliers, service providers or customers that the public or your OMB peers do not receive
- Directing business to suppliers when you know they are owned or managed by your family members or close friends
- Misusing OMB's resources, your role or influence to promote or assist an outside activity
- Hiring, promoting or directly supervising a family member or close friend

***You can access additional instruments of declaration of conflict interest visiting the Web site [www.compliance.ombvalves.com](http://www.compliance.ombvalves.com).***



## **20. PENALTIES FOR VIOLATIONS**

***OMB's employees and Managers who violate Company's Code of Conduct and related policies & procedures will be subject to disciplinary actions up to and including termination of employment.***

Any case of national regulations and/or company policies violation by the OMB's personnel or cases of no complete respect of proper responsibilities concerning integrity, can lead to risk disciplinary actions up to dismissal.

Misbehavior that may conduct to discipline results includes:

- Violation of OMB policies
- Request to others to violate OMB policies
- No promptly raise of known or even suspected violation of OMB's policies
- Lack of cooperation in OMB investigations concerning possible policies violations
- Acts of retaliation against employees because of reporting any compliance issues
- Loss of capacity to demonstrate diligence and compliance with the policies of OMB and national regulations by the Managers

***OMB absolutely prohibits retaliation.***