



*A member of the
Interpump Group*

CODE OF ETHICS

HYDRA DYNE TECHNOLOGY, INC.

CONTENTS

- 1** ***INTRODUCTION***

- 2** ***GENERAL PRINCIPLES***

- 3** ***INTERNAL CONTROL***

- 4** ***CRITERIA FOR CONDUCT***

- 5** ***METHOD OF IMPLEMENTATION***

- 6** ***PENALTIES***

1. INTRODUCTION

This document, entitled Code of Ethics (hereinafter also the "Code") expresses the commitments and ethical responsibilities in the pursuit of business and corporate activities accepted by the personnel of Hydra Dyne Technology Inc, a part of the Interpump Group (hereinafter also "Hydra Dyne" or the "Company"), whether they be directors, employees or otherwise, manage and control of the company or act by act in the name of/or on behalf of the Company.

With regard to the collaborators, consultants, vendors and all other third parties, including customers, that work with Hydra Dyne Technology, Inc. (hereinafter also "Third Parties"), the signature of this Code or an extract from it or, in any case, compliance with its instructions and principles, is an essential condition for the signature of contracts of any nature between them and Hydra Dyne; the provisions thus signed, or in any case approved by tacit consent or otherwise, are an integral part of such contracts.

In sum, the Code of Ethics represents the set of values pursued by the company in the daily conduct of its business activities.

Hydra Dyne's mission

The mission of the Hydra Dyne is to pursue excellence in its operations through the application of innovation and quality. Innovation is a permanent goal of Hydra Dyne and is the result of constant, scientific, and detailed research carried out into materials, techniques and products with the aid of the most sophisticated and advanced equipment. Quality permeates all activities of Hydra Dyne. Quality is founded on the meticulous, methodical and constant control and verification of each phase in the life of the business and each step in the production process, from the purchase of raw materials through to completion of the finished product. The quality assured by Hydra Dyne is the fruit of a shared culture, as identified by guaranteed and efficient products that are easy and intuitive to use, meeting the most modern requirements and limiting the consumption of resources in the utmost respect for their users and the environment.

Scope of application

This Code of Ethics applies to Hydra Dyne Technology, Inc. and it binds the conduct of all its personnel and, to the extent applicable, Third Parties. Hydra Dyne has a duty to bring the Code of Ethics to the attention of Third Parties, including those that only have an occasional or temporary relationship with the Company; require Third Parties to comply with the principles and obligations embodied in this Code in the performance of their activities; take the necessary internal steps should Third Parties fail, in whole or in part, to comply with the provisions of this Code accepted by them, or refuse to accept them.

Approach to stakeholders

Hydra Dyne Technology, Inc. aspires to maintain and develop relations of trust with its stakeholders, being those categories of individuals, groups, or institutions whose contribution is essential to achieving Hydra Dyne's mission and that have significant interests revolving around the Company. Stakeholders therefore comprise those who make investments related to the activities of the Hydra Dyne, stakeholders, employees and other collaborators, customers, vendors, and business partners in general.

Unethical conduct

In the pursuit of business activities, unethical conduct compromises the relationship of trust between Hydra Dyne and its stakeholders.

Conduct in which any single individual, group, or organization attempts to appropriate for themselves the benefits of the collaboration offered by others, by exploiting positions of power, is considered unethical and may lead to the adoption of hostile attitudes.

Objectives of the Code of Ethics

A good reputation is an intangible and yet essential resource.

A good reputation externally stimulates investment by stockholders, builds customer loyalty, attracts the best human resources, enhances the tranquility of vendors, and confirms to creditors the company's reliability. The objectives of this Code of Ethics are to achieve a management style founded on ethical conduct, professional integrity and economic efficiency in both internal relations (top management, middle management, employees) and external relations (business and market), with the goal of promoting unequivocal standards of conduct and the inevitable economic benefits that arise from the consolidation of a sound reputation.

2. GENERAL PRINCIPLES

The Code consists of a set of principles whose observance is of fundamental importance for the proper functioning, operational reliability, and corporate image of Hydra Dyne Technology Inc.. These principles form a benchmark for the operations, conduct, and internal and external relations of Group companies.

Impartiality

In decisions that impact on relations with stakeholders (the choice of customers to serve, relations with stakeholders, management of personnel or the organization of work, selection and management of vendors, relations with the surrounding community and the institutions that represent its interests), Hydra Dyne Technology, Inc. will strive to avoid all types of discrimination based on the age, gender, sexual orientation, health, race, nationality, political views, or religion of its counterparts.

Honesty

In the context of their professional activities, Hydra Dyne Technology Inc's collaborators are required to comply diligently with the current laws in force locally and this Code of Ethics. The pursuit of the interests and/or, in any case, the perceived advantage of Hydra Dyne shall never justify any form of dishonest conduct.

Propriety

In the pursuit of any activity, the Collaborators of Hydra Dyne Technology, Inc. are required to adopt ethical conduct founded on the principles of propriety, transparency and professionalism. Collaborators must therefore avoid any potential or actual conflict between their personal interests, direct or indirect, and those of Hydra Dyne Technology Inc..

Confidentiality

Hydra Dyne Technology, Inc. ensures the confidentiality of the information, documents, studies, initiatives, projects and contracts in its possession, taking steps to protect that wealth of information and prevent it becoming accessible by unauthorized persons. Similarly, the company avoids seeking and obtaining possession of confidential data or information in violation of current regulations.

Value of human resources

Hydra Dyne Technology, Inc. personnel are an indispensable factor in the success of the company. For this reason, Hydra Dyne Technology, Inc. protects and promotes the value of its human resources with the aim of improving and increasing the knowledge and skills possessed by each member of personnel.

In all its activities, the Hydra Dyne Technology, Inc. pursues and promotes respect for human rights and, in particular, the respect for human life, the freedom and dignity of individuals, justice, fairness and solidarity. Similar respect is required from Third Parties.

Hydra Dyne Technology, Inc. guarantees the physical and moral safety of its personnel, ensuring, in particular, working conditions that are respectful of their personal dignity and working environments that are secure and healthy. In the same way, Third Parties are required to guarantee the physical and moral safety of their personnel, whether employed

or otherwise, ensuring, in particular, working conditions that are respectful of their personal dignity and working environments that are secure and healthy.

Requests or threats that induce personnel or Third Parties to act unlawfully and/or in violation of this Code of Ethics will not be tolerated.

Fairness in the exercise of authority

In all relations that involve the creation of hierarchical relationships, particularly in regards to labor relations, Hydra Dyne Technology, Inc. strives to ensure that such authority is exercised in a fair and just manner, avoiding all forms of abuse. In particular, Hydra Dyne Technology, Inc. guarantees that such authority will not transform into an abuse of power that infringes on the dignity and independence of the company's personnel, and that decisions about the work organization will safeguard their dignity and values.

Responsibility

All Collaborators perform their work and activities with diligence, efficiency, and propriety, using the tools and time at their disposal in the best possible manner and taking responsibility for the performance of their duties.

Communication

Hydra Dyne Technology, Inc. undertakes to inform its personnel about the provisions and application of this Code of Ethics, instructing them to comply with the code requesting their compliance. Specifically, the company is responsible to distribute this Code to its intended recipients, to interpret and clarify the provisions of the Code, to check actual compliance with them, and to update the provisions in relation to any new requirements that may emerge from time to time.

3. INTERNAL CONTROL

Hydra Dyne Technology, Inc. adopts specific systems of internal control designed to: (i) ensure the adequacy of the various business processes in terms of effectiveness, efficiency and cost control; (ii) guarantee the reliability and accuracy of accounting entries and safeguard its net assets; (iii) ensure the conformity of operating activities with both internal and external regulations; (iv) guarantee the traceability of processes and the filing of documentation; (v) guarantee the proper allocation of powers and compliance with the principles governing the segregation of duties. Hydra Dyne Technology, Inc. has its own system of internal controls over its business processes, for which operational management has primary responsibility. These controls are an integral part of each business process.

4. CRITERIA FOR CONDUCT

4.1 RECRUITMENT OF PERSONNEL

The assessment of potential recruits is always based on how well the profiles of candidates match those expected and the related corporate requirements, in compliance for all concerned with the principle of equal employment opportunities and the absence of discrimination based on age, ancestry, colour, race, citizenship, ethnic origin, place of origin, creed, disability, family status, marital status (including single status), gender identity, gender expression, record of offences (in employment only), sex (including pregnancy and breastfeeding) and sexual orientation. The information requested is strictly needed to check the professional and psycho-aptitude aspects of these profiles, in full respect for the privacy and opinions of the candidates concerned.

Hydra Dyne Technology, Inc. strives not to give preference to candidates introduced by third parties and, in particular, by parties within the Public Administrations or by customers of the company.

Similar principles must be followed when selecting parties that act in the name and/or on behalf of the company.

Hydra Dyne Technology, Inc. bans any form of forced labor and exploitation of child labor and does not tolerate violations of human rights, in strict compliance with Canadian and Provincial laws and with international conventions

on these subjects and other current and locally applicable laws.

Likewise, Hydra Dyne Technology, Inc. does not tolerate any form of unofficial employment and, in particular, does not employ - directly or indirectly - the citizens of other countries who do not have proper residence certificates. Similar respect for this principle is required from Third Parties.

More generally, it is prohibited to facilitate illegal entry for persons into Canada, as is all conduct intended to facilitate their illegal residence.

4.2 MANAGEMENT OF PERSONNEL

Company managers, supervisors and lead hands are responsible for ensuring respect for equal opportunities in the administration of work relations, maintaining workplaces that are free of discrimination and identifying and resolving promptly any related problems.

Each manager is required to use the working time of his or her subordinates in the best way, requesting results consistent with the performance of their duties and the work organization plans, while at the same time complying with the current regulations that govern working hours, rest periods, and vacation.

The request, in deference to a hierarchical superior, for personal favors or any whatsoever behavior that could be construed as a violation of this Code of Ethics shall be considered to be an abuse of the authority vested in the person responsible for such actions.

Hydra Dyne Technology, Inc. promotes participation of personnel in the execution of work activities, also arranging initiatives for participation and discussion and making of decisions that are functional to the achievement of the corporate goals. Willingness to listen to different viewpoints, compatibly with the professional requirements of the company, allows persons in a position of responsibility to reach their final decisions; in this context members of personnel are always expected to apply their best efforts in assisting with the implementation of the informed decisions that are taken by their superiors.

4.3 HEALTH AND SAFETY

Hydra Dyne Technology, Inc. strives to disseminate and consolidate a culture of safety, developing awareness about risks and compliance with applicable legislation, and promoting responsible conduct by all of its personnel. The company also seeks to protect, especially via preventive actions, the health and safety of workers and the interest of all other stakeholders.

Hydra Dyne Technology, Inc. works to safeguard its human resources, assists and capital by constantly seeking out the necessary synergies, not merely within the confines of the company, but also with the vendors, businesses, customers and other Third Parties involved. For this purpose, Hydra Dyne Technology, Inc. performs technical and organizational actions via:

- the constant analysis of risk and the weaknesses in processes, and the resources to be safeguarded;
- the continuous improvement of preventive actions;
- the timely preparation/update of necessary measures and resources;
- adoption of the best practice technologies;
- the control and update of working methods;
- the planning and implementation of training and communication initiative wherever appropriate.

For the above purposes and in compliance with the applicable safety regulations, Hydra Dyne Technology, Inc. bases its conduct on the following principles:

- the assessment and elimination of risks and, where this is not possible, their minimization ideally at source;
- the replacement of everything that is hazardous with safe or less hazardous alternatives;
- compliance with ergonomic principles in the design of work stations, the selection of tools, and the definition of working and production methods, not least to attenuate monotonous and repetitive tasks, and reduce the health-related effects of such work;
- the consideration of technical progress;
- the programming of prevention activities, developing a consistent approach that covers the technical aspects, the organization of work, working conditions, interpersonal relations and the influence of factors in the working environment;
- greater emphasis on collective protection measures than on personal protection measures;

- the adequacy of the instructions given to workers.

Hydra Dyne Technology, Inc. applies these principles when adopting the measures necessary to safeguard the health and safety of workers, including risk assessment, communications and training and, more generally, when preparing the required systems and measures.

All personnel of the company, both at the top and at operational levels are required to comply with these principles, especially when decisions or choices must be made and when, subsequently, those choices must be implemented.

Third Parties must also guarantee to comply with the instructions contained in this section.

4.4 SAFETY AND PROTECTION OF PERSONNEL

Hydra Dyne Technology, Inc. strives to protect the moral wellbeing of its personnel by ensuring entitlement to working conditions that respect their personal dignity. The company safeguards workers from psychological abuse and acts against any attitudes or conduct that are discriminatory or damaging to individuals and their personal beliefs and preferences (for example, without limitation, insults, threats, isolation or intrusiveness, blocking of career advancement).

Sexual harassment and all types of conduct or verbalization that may be offensive to the individual will not be tolerated.

Collaborators of Hydra Dyne Technology, Inc. who believe that they have been harassed or discriminated against due to age, gender, sexual orientation, race, state of health, nationality, political opinions and/or religious beliefs can report the situation to the Human Resources Department of such occurrences so that the appropriate steps can be taken to establish whether the Code of Ethics has been effectively violated. Any differences of treatment are not and cannot be considered to be discrimination, if they are justified or justifiable based on objective criteria.

4.5 SAFEGUARD OF INDIVIDUAL PERSONALITY

Hydra Dyne Technology, Inc. condemns any activity that could involve the exploitation or the state of subjection of an individual and also recognizes the primary importance of the protection of minors and of the repression of any form of exploitation of child labor.

4.6 CONFIDENTIALITY AND PRIVACY

All information, data and knowledge obtained, processed and managed by company employees during the normal course of their working duties must remain strictly confidential and protected appropriately. Such information must not be used, communicated or divulged in any way, neither within nor outside Hydra Dyne Technology Inc., except in compliance with the applicable regulations and corporate procedures.

The personnel of Hydra Dyne Technology, Inc. must keep confidential all information that comes into their possession as a result of their work, taking the greatest care to avoid revealing to colleagues or third parties, by their conduct, any company information that is not yet public. Faced with requests for confidential corporate data and information from external parties, such as friends, private individuals, journalists, financial analysts, the personnel of the company must refrain from providing any such data or information, directly or indirectly, and refer the requests to the competent business function.

Hydra Dyne Technology, Inc. adopts suitable measures for the protection of personal data and guarantees that it is processed in compliance with current regulations.

Similarly, Third Parties are required to ensure the full confidentiality of the information about Hydra Dyne Technology, Inc. that comes into their possession as a result of their engagement, and to adopt all necessary measures to guarantee the maximum security of that information and the systems used to store it. Third Party data processors are required to ensure that personal data is processed in compliance with current regulations.

4.7 RECORDING AND DISSEMINATION OF INFORMATION

In the execution of their work and in the framework of their competences and responsibilities, the personnel of Hydra Dyne Technology, Inc. must record and process data and information in an accurate, precise, and comprehensive

manner, in compliance with current regulations.

All accounting, economic, and financial entries and details must be based on these values, reflecting exactly the situation that is described in the supporting documentation.

No accounting records or economic and financial information can be transmitted or disclosed to third parties without prior authorization from the competent business function. For this purpose, Hydra Dyne Technology, Inc. implements and keeps active and updated - via the internal organization responsible for its information systems - operating systems and business applications designed to prevent unauthorized disclosures and/or the manipulation of corporate data.

4.8 CONFLICTS OF INTEREST

All personnel of Hydra Dyne Technology, Inc. must avoid situations that might give rise to conflicts of interest and abstain from seeking personal advantage from business opportunities that come to their attention during the course of their professional duties. By way of example and without limitation, the following situations may give rise to conflicts of interest:

- the performance of leadership functions (CEO, director, function manager) while having economic interests in vendors, suppliers, customers, or competitors (possession of shares, professional appointments, etc.), even via family members up to and including the fourth degree of relationship;
- the management of relations with vendors while performing work, even via family members up to and including the fourth degree of relationship, on behalf of vendors;
- the acceptance of cash or favors from persons or firms that have, or intend to enter into, business relations with Hydra Dyne Technology Inc.;
- the disclosure to third parties of confidential information obtained by an employee in the execution of their duties, or its use for their own personal gain.

Should a conflict of interest even merely appear to arise and in all other apparently awkward situations, all personnel who are not directors must inform their immediate superior, who will inform the Human Resource Department, which will assess the effective presence of a conflict of interest on a case by case basis. These Collaborators must also provide necessary information about their activities outside of working hours, if they are or might appear to be in conflict with the interests of the Hydra Dyne Technology, Inc.

4.9 DIRECTORS' INTERESTS

If a director has an interest in a given operation, either directly or on behalf of third parties, that person must inform the other directors, if appointed, about the nature, terms, origin, and magnitude of such interest. If the person in question is the Chief Executive Officer, he or she must also refrain from carrying out the operation in question. If the person is the sole director, he or she must disclose the situation at the first shareholders' meeting held after the conflict of interest arises. In the foregoing cases the deliberation of the Board of Directors shall adequately evaluate the reasons and interest for the company in relation to the operation in question.

4.10 SAFEGUARDING OF CORPORATE ASSETS AND COMPLIANCE WITH IT POLICY

All personnel are required to apply the utmost diligence in protecting corporate assets, by adopting responsible forms of conduct that are in line with the established operating procedures governing their use. In particular, each Collaborator must:

- use the assets assigned to him or her in a scrupulous manner;
- avoid all improper use of corporate assets that could result in damage or reduced efficiency, or that in anyway conflicts with the interests of the Company.

All personnel are responsible for protecting the resources assigned to them and must inform their direct superior promptly about any threats or harmful events. The protection and preservation of corporate assets are fundamental for safeguarding the interests of the company and it is the responsibility of the employees (in the execution of their business activities) not only to protect such assets, but also to prevent their fraudulent or improper use. Employees must use corporate assets exclusively in the execution of their business activities and for purposes authorized by the relevant business functions.

Hydra Dyne Technology, Inc. reserves the right to prevent the improper use of its assets via the use of accounting systems, financial control reports and risk analysis and prevention activities that comply with current laws (privacy law,

statute of workers' rights, etc.).

With regard to software applications, all employees:

- must comply scrupulously with corporate security policies, in order to preserve the functionality of and protect the corporate information systems;
- must avoid sending threatening or insulting e-mails;
- must avoid using coarse language;
- must avoid making inappropriate comments that might be offensive to individuals and/or damage the reputation of the Company and/or the Group;
- must avoid browsing websites that contain indecent and/or offensive materials.

Collaborators are also forbidden to communicate passwords or access codes in their possession for whatsoever reason. Collaborators must not access the IT systems of others without authorization and must avoid any conduct that might destroy or damage IT systems or information in any way. In general, all Collaborators must comply with the principles of propriety, integrity, appropriateness and confidentiality in their use of IT systems, in accordance with the relevant policies adopted by the company. In all cases, Collaborators must avoid any conduct that, in any way, might violate the applicable regulations and current policies of Hydra Dyne Technology, Inc.

4.11 GENERAL PROVISIONS

Business relations with third parties are always conducted by persons authorized to do so, based on the organization chart of the Company, service orders, mandates or powers of attorney.

In their relations with third parties, all personnel must behave ethically and in compliance with the applicable laws, conducting themselves with the maximum propriety, transparency and integrity.

The following are prohibited in commercial or promotional relations and initiatives: practices and conduct that are or may be illegal or collusive in nature, illegal payments, inducement to corrupt and corruption, favoritism, solicitation - directly or via third parties - of personal benefits and career advancement for self or for others, that are in conflict with the law, regulations and/or instructions contained in this Code of Ethics. This prohibition includes the direct or indirect offer of free services, with a view to influencing decisions or transactions.

The acquisition of information about third parties from public or private sources or from specialist institutions and/or organizations must be performed legally, in compliance with current laws. If personnel find themselves in a position to receive confidential information, they must strive to administer it with the utmost privacy and confidentiality, and avoid situations in which Hydra Dyne Technology, Inc. might be accused of appropriating that information and using it improperly.

4.12 ANTI-CORRUPTION PROGRAM

Hydra Dyne Technology, Inc. strongly condemns any form of public and/or private corruption and will implement all necessary actions to prevent corrupt practices in all their forms.

All conduct, by whosoever, involving the direct or indirect promise or offer of cash or other benefits to private parties, public officials and/or local or foreign public servants, is prohibited if it might result in Hydra Dyne Technology Inc. obtaining an undue or illegal interest or advantage for the Company. Such conduct is not permitted, neither if adopted directly by the Company, its entities or employees, nor if carried out by Third Parties acting on behalf of Hydra Dyne Technology, Inc. Third Parties are required to align their conduct with the above anti-corruption principles in their relations with both public and private entities, in compliance with the applicable regulations.

Persons engaged by Hydra Dyne Technology, Inc. to follow-up any request from or, in any case, to maintain relations with local or foreign Public Administrations must not, for any reason, seek to influence improperly their decisions. All conduct intended to influence illegally the outcome of criminal, civil or administrative proceedings is forbidden.

In pursuing its policy of fighting against all forms of corruption, Hydra Dyne Technology, Inc. is committed to the following activities among others: (i) spreading a culture against any form of corruption within the Company; (ii) regular assessment of contractual counterparts; (iii) adoption of communication and training programs; (iv) constant monitoring of the need to update procedures and systems.

For this purpose, all Hydra Dyne Technology, Inc. has adopted an organizational model suitable for:

- managing and monitoring the activities relating to gratuities, donations and entertaining expenses;
- managing and monitoring the processes adopted for personnel selection, hiring and appraisal;
- supervising the processes adopted for preparing the statutory and consolidated financial statements, ensuring their accuracy and transparency;
- guaranteeing the monitoring and traceability of cash flows;
- guaranteeing the proper allocation of powers and segregation of duties in the management of each business process;
- taking disciplinary action for failure to comply with the conduct required;
- guaranteeing the proper management of reports received;
- guaranteeing compliance with locally-applicable regulations and rules;
- guaranteeing the traceability of processes and the filing of documentation.

4.13 GIFTS AND BENEFITS

No forms of gift are permitted that could even just might be interpreted as exceeding normal commercial practices or courtesy, or that are given in order to receive preferential treatment in the pursuit of any activity that can be linked to Hydra Dyne Technology, Inc. In particular, it is forbidden to give any gifts to Canadian or foreign public officials or their families that might influence the independence of their judgment, or induce them to provide advantages of any kind to the Company. In addition, it is prohibited to offer, promise or give private third parties, directly or indirectly, cash or other undue benefits in order to induce them to carry out or omit actions in violation of their official duties or their obligation to work in a loyal manner. Similarly, it is prohibited to solicit or receive from private third parties, directly or indirectly, cash or other undue benefits in order to carry out or omit actions in violation of their official duties or their obligation to work in a loyal manner.

This instruction covers gifts promised, offered or solicited, as well as those received or given; a gift is defined as any type of value or undue benefit.

In all cases, Hydra Dyne Technology, Inc. must abstain from practices that are not allowed by law, by good commercial practice, or by the codes of ethics – if their contents are known – of the companies or organizations with which the Company maintains relations. On an entirely exceptional basis, it may be admissible to accept gifts of a purely symbolic or custom nature that have a unit value not exceeding CAD \$100.00. In the same way, it is only possible to give gifts to third parties if they are of modest unit value, never exceeding CAD \$100.00, or promote the brand image of the Company that belongs to it.

In all cases, all gifts offered or received - except for those of modest unit value, never exceeding CAD \$100.00 - shall be adequately documented in order to allow the regulatory body to carry out the proper inspections.

Personnel of Hydra Dyne Technology Inc offer of cash to the Collaborators of Hydra Dyne Technology, Inc. by Third Parties, in order to induce them to carry out or omit deeds in violation of their obligations, is illegal and may be pursued to the fullest extent of the law.

Personnel of Hydra Dyne Technology, Inc. who receive gratitude, cash, gifts or other benefits not included among those considered permissible are required to notify the Human Resources Department, which will evaluate their appropriateness and inform the sender about the relevant policies of Hydra Dyne Technology, Inc.

4.14 RELATIONS WITH CUSTOMERS AND PRODUCT QUALITY

Hydra Dyne Technology, Inc. considers customer satisfaction to be a factor of primary importance in its success. Accordingly, particular attention is paid to understanding the needs of customers and preparing the solutions that best fit their requirements. Specifically, the strategy of Hydra Dyne Technology, Inc. for the products/services offered is to guarantee adequate quality standards, based on predetermined levels, and to monitor periodically the perceived level of quality.

4.15 RELATIONS WITH VENDORS

Procurement processes seek to obtain the maximum competitive advantage for Hydra Dyne Technology, Inc., while guaranteeing equal opportunities for all vendors, and in consideration of the principals of fairness and impartiality.

The vendor selection process does not allow or accept undue pressure in favor of one vendor over another, which would undermine the credibility and trust that the market places in the company regarding its transparency and the rigor with which the law and company procedures are applied.

4.16 RELATIONS WITH INSTITUTIONS

Relations with institutions are maintained exclusively by specifically authorized and delegated business functions. These relations must be founded on the maximum transparency, clarity, and propriety, so that the private or public institutional parties, with which relations of various types are maintained, are not caused to make interpretations of an incomplete, false, ambiguous, or misleading nature.

4.17 ENVIRONMENT

Hydra Dyne Technology, Inc. seeks to protect the environment as a primary resource. Hydra Dyne Technology, Inc. recognizes the overriding need to protect the environment for the benefit of the community and future generations and, therefore, adopts the most suitable environmental protection measures, promoting and planning the development of its activities in a manner consistent with that goal. To this end, Hydra Dyne Technology, Inc. seeks to minimize the impact on the environment and the landscape of its activities in compliance with current legislations and the progress of scientific research and relevant best practices in this field. In particular, Hydra Dyne Technology, Inc. adopts a preventive approach to the various environmental challenges, adopting policies designed to reduce progressively the direct and indirect impact of its activities and promote greater awareness about and commitment to environmental protection, both locally (quality of the soil, air and water in the territory of operations) and with regard to the global challenges (biodiversity and climate change).

Third Parties are also required to comply with the instructions contained in this section.

4.18 ECONOMIC RELATIONS WITH POLITICAL PARTIES, TRADE UNIONS AND ASSOCIATIONS

Hydra Dyne Technology, Inc. does not fund Canadian political parties, their representatives or candidates, and does not sponsor conventions or events intended to disseminate political propaganda. The Company also abstains from exerting any form of direct or indirect pressure on political leaders (for example by accepting recommendations for the hiring of personnel, consultancy contracts, etc.).

Hydra Dyne Technology, Inc. does not make contributions to organizations with which a conflict of interest may exist (trade unions for example).

4.19 RELATIONS WITH ANTITRUST AUTHORITIES AND REGULATORY BODIES

Hydra Dyne Technology, Inc. guarantees full and scrupulous compliance with the antitrust regulations and the rules of market regulatory authorities. Hydra Dyne Technology, Inc. does not withhold or delay the supply of information requested by the antitrust authorities and/or other regulatory entities for their audit work, actively collaborating with their investigations.

4.20 SUBSIDIES AND LOANS

Any grants, subsidies, and loans obtained from the Canadian Government, or any other Public Authority, even of modest value and/or amount, must be utilized for the purposes for which they were requested and granted.

Likewise, in the case of participation in publicly disclosed procedures, the recipients of this Code must work in compliance with the law and proper commercial practices, specifically refraining from taking action that might induce Public Administrations to act unduly in favor of Group companies.

4.21 MASS MEDIA

Relations with the mass media are characterized by respect for their right to be informed. The external communication of data or information must be truthful, accurate, clear, transparent, and respectful of the dignity and privacy of individuals, coordinated and consistent with the policies of the Hydra Dyne Technology, Inc. Information about Hydra Dyne Technology, Inc. may only be divulged to the mass media by the specifically authorized business functions, or

with their permission, in compliance with the established corporate procedures.

In all cases and especially in relations with the mass media, it is forbidden to promote, instigate or incite racism and/or xenophobia, not least if there is a real risk of dissemination and linkage in whole or in part to denial of the holocaust, genocide, crimes against humanity or war crimes.

4.22 ANTI MONEY LAUNDERING AND TERRORISM

Hydra Dyne Technology, Inc. carries out its activities in full compliance with the current anti-money laundering and anti-terrorism regulations and the provisions issued by the competent Canadian authorities and to this end undertakes to refuse to carry out suspicious transactions in terms of fairness and transparency in which it operates.

In particular, in the conduct of their business and working activities, neither the Company nor its employees must not, under any circumstances, become implicated in the laundering of money, self-laundering or re-use of money from illegal or criminal activities and/or operations and activities aimed at promoting terrorism.

To this aim, before establishing relations with or signing contracts with vendors and other partners, the Company and its employees must verify the information available on Third Parties and Collaborators in order to verify their moral integrity, reputation and good name and the legitimacy of their activity.

Third Parties are also required to comply with the instructions contained in this section.

4.23 EXPORTS OF PRODUCTS

Hydra Dyne Technology, Inc. complies with the dual-use regulations when exporting products, having regard for any parts and/or components obtainable from their disassembly.

Hydra Dyne Technology, Inc. also strives to ensure that its business activities are conducted in such a way as to avoid violating, under any circumstances, the international laws on the embargo and control of exports in force in the countries in which it operates.

4.24 INTELLECTUAL PROPERTY

Hydra Dyne Technology, Inc. protects its intellectual property rights, including patents, trademarks, distinctive signs and authorship rights, by complying with the policies and procedures established for this purpose. In the same way, each Company respects the intellectual property owned by others.

In addition, it is contrary to Hydra Dyne Technology, Inc. policies to make unauthorized copies of software, documentation or other materials protected by authorship rights. In particular, the Company complies with the restrictions specified in the license agreements regarding the reproduction/distribution of third-party products or in those signed with its own software vendors, and prohibits the use or copying of software or documentation except to the extent allowed by each of the above license agreements.

4.25 COMPETITION

All relations with current or potential competitors are conducted with fairness and integrity and, consequently, the Company disapproves of any conduct that might impede or disrupt the operations of a business or trading activities.

4.26 ORGANIZED CRIME

Hydra Dyne Technology, Inc. prohibits all conduct that, even indirectly, might facilitate the activities of domestic or transnational organized crime, such as in particular that dedicated to the illegal trafficking of armaments and/or psychotropic and other illegal drugs. Third Parties are also required to comply with the instructions contained in this section.

5. METHOD OF IMPLEMENTATION

5.1 COMMUNICATION AND TRAINING

This Code of Ethics is disseminated to internal and external stakeholders by via a specific program of communications. In order to ensure proper understanding of this Code, each Group company prepares and implements training activities, drawing in part on indications provided by the President of the Supervisory Body, if appointed, that are designed to promote awareness of the principles and ethical standards underpinning this Code. Such training initiatives differ depending on the role and specific responsibilities of the Collaborators concerned.

5.2 CONFLICT WITH THE CODE OF ETHICS

Should even just one of the provisions of this Code conflict with those contained in the internal regulations or procedures, the provisions of this Code shall prevail.

5.3 MANAGEMENT OF REPORTS RECEIVED

Hydra Dyne Technology, Inc. adopts a policy to manage whistleblowing reports received in line with the relevant national and international best practices, complying with all current laws and regulatory requirements.

The Company strives to ensure that all reported cases of non-compliance are brought to the attention of and managed by the competent corporate bodies.

When managing reported cases of non-compliance, the Company will apply the following principles:

- protection of the whistleblower and the reporter from all reprisals and/or forms of discrimination;
- protection of the confidentiality of the identity of the reporter;
- consideration and evaluation of anonymous reports, if based on precise and consistent facts;
- retention of data about any reports received in electronic form and in areas with access restricted solely to those providing specific authentication.

Without prejudice to the above, the Collaborators of the Hydra Dyne Technology, Inc. and Third Parties may always report any situation of non-compliance that comes to their attention in the performance of their work to the Supervisory Body of Hydra Dyne Technology Inc.S.p.A. via the specific channels made available (submitting their reports by e-mail to organismodivigilanza@HydraDyneTechnologyInc.group.it or by regular mail addressed to Hydra Dyne Technology, Inc. S.p.A., c/o Supervisory Body, via E. Fermi 25 - 42049 S. Ilario d'Enza, Reggio Emilia).

6. PENALTIES

Compliance with this Code is an essential part of the contractual obligations accepted by employees, by directors, by external collaborators and Third Parties. The obligation of employees and top management to comply with the Code of Ethics is added to the obligations of complying with general rules of loyalty, fairness, good faith performance of employment obligations, and compliance with federal, provincial and local laws and regulations.

In particular, any violation of the rules of this Code may result in disciplinary action up to and including severance of employment, and may also lead to claims for compensation for damages arising from any such violation.

Similarly, with regard to personnel who are not employees and to Third Parties, any violation of this Code represents a serious breach of their respective contractual obligations, with all legal consequences, including termination of the contract and/or the appointment. Such consequences may also include the reimbursement of losses caused to the Company as a whole.

