


**MICROCHANNEL DEVICES S.r.l.****CODE OF ETHICS**

This Code of Ethics was approved by the Board of Directors of the Company on 17 March 2024 and presented to the Shareholders' Meeting on 5 June 2024

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The Code of Ethics is adopted by Microchannel Devices Srl as a reference self-regulatory tool for the integration of social and environmental considerations into business processes, practices and decisions, beyond the fulfilment of Legislative Decree 231/2001.

The Code is by its nature a document that follows, updating, the evolution of the context in which the Company operates, ensuring maximum transparency and consistency, prerequisites for a relationship of trust with stakeholders.


It contains voluntary commitments in the management of relations with all internal and external subjects of the Company (stakeholders), explaining the values and principles of the Company.

The MCD Code of Conduct is an integral part of the decision-making processes and operational approach of the Company and its workforce.

Integrity is the foundation of competitiveness, and is the foundation of the Company's sustainable growth and the way to continuously build and confirm our reputation as a Company that customers, workforces and stakeholders can trust and rely on.


It applies to members of the Board of Directors of MCD, as well as its managers, full-time or part-time employees, temporary collaborators and contract workers.

MCD also expects its stakeholders, including suppliers, customers, dealers, distributors and joint venture partners, to act with integrity and in accordance with the MCD Code of Conduct.

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PREMISE

The Company (hereinafter also MCD) is an innovative SME, which operates in the field of energy transition and expresses a strong commitment to Environmental, Social and Governance (ESG) issues and wants to position itself proactively in paying attention to social aspects and the fight against climate change.

The Company adopts this Code of Ethics (hereinafter the "Code") in order to formalize and disseminate its principles, values and corporate commitments that represent the foundations that guide the Company in all its choices and actions and are an expression of the corporate culture.

Through this Code, the Company aims to guide conduct consistent with the highest international and national ethical standards in the performance of its activities and in business management.

The Code also includes and recognizes the principles of sustainability as fundamental to guide the corporate strategy and have a positive impact on the future of the planet and society, in the awareness that the consideration of social and environmental issues also contributes to minimizing exposure to risks and strengthening reputation.

This Code consists of three main sections:

- the **Relations Charter**, which describes the mission, principles and values, commitments of People and the responsibilities of the Company;
- the **Principles of Conduct** in relations with stakeholders;
- the Implementation and Government **mechanisms**.

SCOPE OF APPLICATION AND RECIPIENTS OF THE CODE OF ETHICS


This Code and any update to it is approved by the Board of Directors of MCD and brought to the attention of the Stakeholders for the purpose of its implementation.

The Company is also committed to disseminating the values and principles of the Code also within the companies in which shareholdings are held and in joint ventures.

The Code is addressed to the corporate bodies of administration and control, to the Company's persons and to any third party involved in contractual relationships, even occasional or only temporary, who act, operate and collaborate in any capacity with the Company's companies. These subjects are identified as "recipients" of the Code and are considered as such in operating both in Italy and abroad, on behalf of, in favor and in the interest of the Company.

The Company requires the recipients to know and comply with the principles and contents of the Code and to apply them, at all times, in the performance of their activities and professional assignments.

The Code is accompanied by the **Internal Regulations**, which define the rules of conduct to be observed both in the workplace and outside, pursuing the interests of the Company, customers and all shareholders with professionalism, diligence, honesty and fairness, acting in any case with transparency and in full respect of the dignity and integrity of people.

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REPORT CHARTER

OUR VISION

Microchannel Devices Srl wants to be an industrial business partner to identify solutions to mitigate climate change and promote the energy transition

OUR MISSION

We, the People of Microchannel Devices Srl,

with the aim of offering our customers products for the energy transition that can make possible global improvement actions in the various markets in which they operate and, at the same time, to offer our suppliers and all stakeholders the maximum collaboration and the maximum commitment to operate with a view to broad and valid business development,

We declare that:

- We believe in the integrity and sustainability of our actions and those of MCD.
- We take care of our customers with the excellence of our products, our services and our behaviors.
- We create value and innovation for people, businesses, and communities in all the countries and territories in which we operate.
- We build a future at the service of sustainable development in favor of the environment, the younger generations and a truly inclusive society.

OUR PRINCIPLES AND REFERENCE VALUES

In achieving the corporate mission, the Company's strategy aims to create solid and sustainable value over time, from an economic-financial, social and environmental point of view, built thanks to relationships of trust with stakeholders and based on the following **values**:

Integrity We pursue our objectives with honesty, fairness and responsibility, in full and substantial compliance with the rules, professional ethics and the spirit of the agreements signed.


Excellence We aim to improve continuously, looking ahead, anticipating challenges, cultivating widespread creativity aimed at innovation, valuing merit.

Transparency We place transparency at the heart of our actions, communication and contracts to enable everyone who interacts with us to make informed, conscious and autonomous choices.

Respect for specificities We want to combine size with territorial roots, to be a company that manages to think big and put the people and communities with whom and in which it operates at the center.

Fairness and inclusion We are committed to avoiding any discrimination in our conduct and to respecting differences in gender, gender identity and/or expression, affective-sexual orientation, marital status and family situation, age, ethnicity, religious beliefs, political and trade union membership, socio-economic condition, nationality, language, cultural background, physical and mental conditions or any other characteristic of the person also related to the manifestation of the thought.

Value of the person The value of the person as such guides our way of acting: we adopt listening and dialogue as levers of continuous improvement in relationships. We take care of people's health and safety for the purpose of a professional experience that respects physical and psychological well-being.

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Environmental protection We promote an efficient and conscious use of all resources, avoiding waste and always favoring sustainable choices over time. We are committed to fighting climate change, protecting nature and biodiversity and supporting the transition path towards a sustainable, green and circular economy.

COMMITMENTS AND RESPONSIBILITIES OF THE COMPANY

Companies are called upon to take on an increasingly broad responsibility, aimed at creating shared value for stakeholders, with the aim of promoting a sustainable and resilient economic, social and environmental system.

MCD is aware that it has an impact on the social and environmental context in which it carries out its business with the aim of creating long-term value for the Company, its people, its customers, its suppliers, communities and the environment.

The Company is therefore aware that innovation, the development of new products and services and the responsible action of people and businesses can contribute to combating phenomena such as climate change and social inequalities, mitigating their impact.

To this end, the contents of the Code are aligned with the context in which the Company operates, and focus on relations with stakeholders.

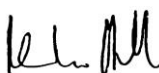
In fact, from constructive dialogue with stakeholders, through listening to requests and balancing them with respect to corporate strategies, it is intended to activate a virtuous circle towards a process of continuous improvement.

The Code therefore constitutes the foundation of the Company's actions and is an integral part of a broader vision of the set of responsibilities and commitments that MCD has adopted to support sustainable development.

The commitments are embodied through the **Business Plan**, aimed at further strengthening MCD's role in society and on the market: a strong company, a leader in building a more sustainable world.

MCD therefore intends to join the United Nations Global Compact - UNGC2 - (the United Nations global compact that encourages companies to conduct their business responsibly) and is committed to contributing to the achievement of the Sustainable Development Goals (SDGs):



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PRINCIPLES OF CONDUCT IN RELATIONS WITH STAKEHOLDERS

The Company recognises as a stakeholder any party, internal or external, involved or impacted, directly or indirectly, in the performance of the company's activities.

Each stakeholder is involved in the achievement of the corporate mission in relation to the activities carried out by the Company.

Stakeholders are therefore: customers, shareholders, the people of the Company and all those who collaborate with it, suppliers, the community and the environment – the latter also in relation to the responsibility towards present and future generations.

In its relations with stakeholders, and more broadly in its operations, the Company acts in compliance with human rights and the legislation in force in all the countries in which it is present and is committed to continuous updating on legislative and regulatory developments.


In this context, the Company also complies with all the rules on anti-money laundering, combating the financing of terrorism, embargoes, antitrust, fairness in customer relations, management of conflicts of interest and observes principles based on integrity in the management of tax issues.

The Company is also committed to contributing to the fight against corruption, applying the principle of "zero tolerance" and adopting the utmost consistency and transparency of corporate conduct, preventing where possible situations of conflict of interest, even if only potential.

The Code is also inspired by the main existing national and international guidelines on **corporate social responsibility**, including:

- the UN Universal Declaration of Human Rights;
- the UN Guiding Principles on Business and Human Rights;
- the UN Convention on the Rights of the Child;
- the United Nations Convention on the Rights of Persons with Disabilities;
- the UN International Covenant on Civil and Political Rights;
- the Declaration on Fundamental Principles and Rights at Work (ILO) and other fundamental Labour Conventions, and in particular the right of association and collective bargaining, the prohibition of forced and child labour, non-discrimination in employment;
- the OECD Due Diligence Guidance for Responsible Business Conduct;
- the Organisation for Economic Co-operation and Development (OECD) Guidelines for Business and the anti-corruption principles established by the United Nations;
- the Council of Europe Convention on preventing and combating violence against women (Istanbul Convention);
- the Charter of Fundamental Rights of the European Union.

In order to make the principles and values set out in this Code concrete, in addition to referring to external guidelines, the Company intends to adopt **specific policies** that set the necessary guidelines to ensure transparency and professionalism in relations with all stakeholders.

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Again with the aim of maintaining relationships of trust with stakeholders in the long term, the Company recognises the importance of implementing adequate **management and control of risks**, both financial and non-financial, to ensure the generation of long-term value for all stakeholders.

To ensure a transparent relationship with stakeholders, the Company intends to communicate, through a path that leads to sustainability reporting, so that in addition to clearly reporting on ESG choices, actions and performance, the requests that emerge from the continuous dialogue with stakeholders are illustrated, declaring the medium-long term ESG objectives to which it aspires.

In particular, given the importance of reducing the impacts generated by climate change for all stakeholders, the Company intends to prepare to report on the risks and opportunities related to climate change in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) so as to ensure maximum transparency on this aspect as well.

In order to make the principles and values concrete in corporate life, the Code regulates the **principles of conduct** that the Company has adopted in its relations with each category of stakeholders, with particular regard to:

- **listening and dialogue;**
- **transparency;**
- **equity and inclusion.**

PRINCIPLES OF CONDUCT IN CUSTOMER RELATIONS

In the context of customer relations, the Company is committed to engaging in relationships based on trust, with the utmost attention to listening to meet their expectations, through the development of products and services with high quality standards.

Listening and dialogue

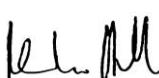
The Company considers it essential to maintain a constant dialogue with customers, in order to understand their real expectations as much as possible. For this reason, it undertakes to:

- activate systematic dialogue tools, to grasp suggestions from customers, consumer associations and associations representing specific categories of customers;
- accurately identify the needs and risk profile of customers, as a fundamental starting point for offering advice, services and products;
- ensure timely response to questions and complaints, aiming at a substantive and non-formal resolution of disputes.

Transparency

The Company believes that the basis of a lasting and trusting relationship must be transparent communication, which allows customers to better understand the characteristics and value of the products and services they purchase or offer. For this reason, the Company undertakes to:

- simplify products and facilitate the comprehensibility of contracts, reducing possible misunderstandings thanks to clear and exhaustive information, in which any changes to the contract and its conditions are also promptly reported;
- Prepare clear communication on all available channels, giving value to the customer's time.

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Equity and inclusion

The Company believes that its services should be accessible to everyone. For this reason, it undertakes to:

- not discriminate against customers on the basis of gender, gender identity and/or expression, affective-sexual orientation, marital status and family situation, age, ethnicity, religious beliefs, political and trade union membership, socio-economic condition, nationality, language, cultural background, physical and mental conditions or any other characteristic of the person also related to the expression of his or her thoughts;
- apply a pricing policy in line with the characteristics and quality of the service offered;
- develop multi-channel to facilitate access to products and services;
- facilitate access to products and services for people with disabilities, eliminating any architectural barriers and simplifying the use of online services.

Support for the country's development

MCD believes in its responsibility to promote economic and social growth in each country in which it operates and in compliance with the specific regulatory context, and for this reason it is committed to:

- assisting clients in the development, improvement of competitiveness, internationalization of the business, including by promoting innovation, digital transition, ecological transition, adoption of circular economy models and improvement of the sustainability profile;
- promote evolutionary mechanisms of collaboration, even in the medium/long term, to encourage innovation and entrepreneurship to implement winning ideas and projects;
- go beyond the mere supply of products, also participating in the risk capital of companies to support projects with strong growth potential, including in innovative sectors;
- support the public sector and local authorities, according to criteria of collaboration and clear distinction of roles, promoting collaborative solutions that favor a long-term balance, in a vision of growth and modernization that contributes to improving the quality of life of citizens.


Sustainable investments

The Company is aware that ESG criteria are becoming increasingly important in the evaluation of investments, with the ultimate goal of promoting fair and sustainable development. For this reason, the Company aims, where possible, to offer its customers the opportunity to choose products that meet the needs of the

- also to their preferences in terms of sustainability, in order to activate a virtuous circle between MCD's commitment to sustainable behavior and progressive customer awareness. For this reason, the Company undertakes to:
- expand the offer with products that promote, among others, environmental and social characteristics;
- contribute to the evolution of investment strategies by integrating ESG factors, through the adoption of innovation and development activities that make it possible to develop a range of sustainability-conscious products
- offer solutions through the evolution of the range of products and services offered, in order to
- to make it increasingly responsive to customer needs.

Safeguarding safety

The protection of the security of customers, their assets and their information is not only a primary duty for the Company but is the basis of the relationship of trust that we want to continuously develop over time. For this reason, MCD, in constant compliance with the provisions of the law, undertakes to:

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- protect people, values and assets, information assets, also understood as digital identity, and guarantee internal organisational safeguards in order to provide a service that meets the requirements of reliability, continuity and confidentiality to the highest degree;
- Be transparent when informing customers about their privacy rights and how personal information is treated.

Assessment of environmental, social and governance (ESG) factors

MCD is fully aware that its activities must take into account, among others, the socio-environmental risks generated or suffered by the Company's activities, as well as their ability to produce social and/or environmental as well as economic value.

For this reason, MCD is committed to:

- adhere to national and international standards for compliance with social and environmental protection regulations;
- establish criteria and safeguards aimed at excluding activities and projects with particularly significant negative environmental and social impacts;
- promote peaceful coexistence, avoiding support and collaboration in economic activities that may put it at risk;
- give priority to projects with high social and environmental value to promote the transition to a fair and sustainable economy;
- to give priority to projects aimed at the protection of the historical, artistic, cultural and natural heritage.

PRINCIPLES OF CONDUCT IN RELATIONS WITH SHAREHOLDERS


In the context of relations with shareholders, the Company pursues governance principles of high standing in the rules of operation of the corporate bodies and in the conduct of directors and management. MCD, aware that efficient corporate governance is an essential element for the pursuit of its objectives, keeps its governance constantly updated in the light of both the experience gained and regulatory developments, national and international best practices as well as the principles and recommendations promoted in the field of corporate governance by the main Bodies and Authorities.

In this regard, the MCD Board of Directors Regulations specify the duty of the Directors to contribute to the creation of value for shareholders with a view to sustainability in the medium-long term, also taking into account the interests of other relevant stakeholders, in compliance with the principles of sound and prudent management, as well as the principles and reference values adopted.

Listening and dialogue

MCD, aware of the strategic importance of the relationship with shareholders, undertakes to:

- promote a fruitful dialogue with investors, on the occasion of the Shareholders' Meetings, in compliance with the principle of equal information, encouraging and facilitating the widest participation of shareholders in the informed exercise of voting rights;
- to ensure and facilitate dialogue between the Board of Directors of MCD and investors in any way, in order to strengthen lasting and continuous relationships that contribute to the knowledge of the company and therefore to the creation of sustainable value over time.

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Transparency

MCD bases its relationship with shareholders on the principles of transparency, exhaustiveness and timeliness, in compliance with regulations and best practices, and for this reason it undertakes to:

- guarantee transparent communication to all shareholders in order to provide clear, complete and timely information on its governance, the state of implementation of the Company's strategies and results;
- promote transparent communication and constant dialogue over time, which ensure adequate understanding by investors, also in relation to the correct supervision and monitoring of the risks and opportunities related to climate and environmental change and the related impacts in the economic and financial sphere.

Equity and inclusion

MCD believes that it is essential to protect and guarantee the rights of all shareholders. For this reason, it undertakes to:

- generate a sustainable return over time for the capital invested by shareholders;
- ensuring equality of information, without discrimination and without preferential behaviour. To this end, the role of the Chairman of the Board of Directors should be highlighted, who performs in particular a function of guarantee towards shareholders.

PRINCIPLES OF CONDUCT IN RELATIONS WITH THE PEOPLE OF THE COMPANY

The success of the company is the result of the professional and human contribution of the people who work within the Company. For this reason, MCD promotes respect for people and recognizes their importance, pursuing the maximum enhancement of individuality, merit, talent, skills and manageriality.

Listening and dialogue


MCD believes that listening and dialogue are the basis of relationships that generate trust. For this reason, it undertakes to:

- promote the strategic role of internal communication to allow people to participate more consciously in corporate life;
- to disseminate information sharing tools and encourage the exchange of experiences, which also facilitate comparison and integration between the different territorial entities of the Company;
- developing, in those who have positions of responsibility, a specific sensitivity to grasp people's needs, as well as to enhance their suggestions and differences of opinion, as an opportunity for improvement and business growth;
- develop channels of dialogue that favor the inclusion of all specificities, with a view to openness and constructive exchange, also through the design and implementation of shared actions.

Transparency

MCD aims to continuously develop the culture of transparency as a basis on which to build relationships between people. For this reason, it undertakes to:

- to base communication on criteria of correctness, completeness, simplicity, fairness and inclusion;
- adopt systems for assessing behaviour, skills, knowledge and potential according to criteria of transparency;
- define remuneration and incentive systems for all personnel, based on transparency, also with the aim of attracting and retaining the best skills and professionalism within the Company.

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Equity and inclusion

For MCD, respect for the individuality and dignity of each person is the foundation for the development of a stimulating and inclusive work environment. For this reason, it undertakes to:

- adopt recruitment and management methods based on fairness and consistency, in order to prevent favouritism, abuse, harassment and discrimination of all kinds, guaranteeing evaluation processes based on fairness and merit, enhancing people's motivation and career development, while respecting diversity;
- guarantee equal opportunities for professional development and growth, access to training courses and updating initiatives and role assignment, right from the selection phase of applications.

Respect for people

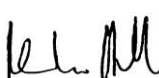
MCD is committed on a daily basis to promoting an internal culture based on respect for individual dignity, protecting the rights of workers, combating all forms – even indirect – of forced or child labour and protecting the physical and moral integrity of all its people, through a management based on respect for the personality and professionalism of each person, in a framework of loyalty and mutual trust.

For this reason, MCD aims to:

- adopt initiatives to prevent and combat any behavior, expressed in physical, verbal or non-verbal form, that offends, abuses and harms human dignity, ensuring, where necessary, appropriate assistance, support and maximum confidentiality;
- guarantee trade union freedoms and the right of association in bodies representing people;
- adopt complementary protection measures (such as, for example, supplementary pensions);
- to recognize all people the opportunity to express their individuality and creativity in work, enhancing the diversity and specificities of each individual, as a drive for innovation and an essential contribution to the growth of society;
- pay the utmost attention to the definition of objectives, encouraging their understanding and sharing, in order to promote correct and transparent behaviour in relations with stakeholders;
- overseeing objective and transparent incentive systems, providing for possible and achievable objectives;
- evaluate the performance of those who have roles of responsibility, also taking into account respect for the ethical principles on which the relationship with people is based;
- make work easier by simplifying products, procedures and forms of communication;
- ensure the right to privacy and respect for personal and sensitive data;
- promote sustainable mobility by encouraging, where possible, the use of transport solutions with a lower environmental impact;
- promote policies that facilitate the balance between personal and professional life, favoring forms of flexibility and implementing initiatives to reconcile work and private commitments, in the awareness that this balance is fundamental in the search for the well-being of every person.

Health and safety protection

People are the most important resource for MCD: this is the principle on which the health and safety policy is based, which considers the protection of physical and mental well-being at work. For this reason, in constant compliance with the provisions of the law and taking into account the best international standards and guidelines for the management of prevention and health promotion systems, MCD is committed to:

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- develop qualified methods of analysis and evaluation aimed at identifying and controlling situations of risk to health and safety in the workplace, both in ordinary conditions and in the face of crisis situations;
- adopt prevention and protection measures aimed at improving people's well-being, monitoring their effectiveness and effectiveness over time;
- manage residual risks through the preparation of emergency and intervention plans.

Enhancement and motivation

MCD recognizes the strategic role played by the complex of relational, intellectual, and therefore considers enhancement and motivation essential as a driver in relationships.

For this reason, it undertakes to:

- overseeing the evolution of training courses to support individual needs oriented towards innovation and constant improvement of the level of competence, to create the optimal conditions for each person to be able to best interpret their role and develop the ability to work as a team to contribute to the achievement of business objectives;
- pursue excellence in both quantitative and qualitative terms, through commercial actions and budget policies directed, planned and monitored in accordance with the ethical principles of this Code and in respect of the professionalism and dignity of each person, as well as the specificities of the territorial context in which it operates;
- adopt management and reward policies capable of recognising and enhancing the individual and Company contribution to the achievement of objectives;
- promote the responsible participation of people, always supporting them, even during long absences and requiring them to constantly engage actively so that they feel involved in the Company's growth project, through which they can also achieve their own professional fulfilment.

Cohesion


Cohesion is the hallmark of a community of people who work well together, with the pride of being part of a great company. To grow and consolidate the spirit of belonging of all people around a strong and shared corporate identity, MCD is committed to:

- to make explicit and disseminate one's values, continuously verifying their relevance so that everyone can recognize themselves in them;
- make available to everyone information on the Company's strategies and objectives, with the aim of sharing the elements that characterise its identity;
- support and increase, in those who have positions of responsibility, the ability to propose themselves as a guide and point of reference to adopt actions that are always consistent with the company's ethical principles;
- provide for forms of participation, including economic participation, in the successes of the company;
- promote solidarity initiatives to support colleagues in difficulty and for socially relevant purposes.

Management and personnel remuneration policies

Fairness, merit and sustainability of results are the criteria on which the remuneration policy – including variable components – adopted for all the people of the Company is based.

The guidelines for defining the remuneration policy of management aim to establish an integrated system aimed at the management and development of people.

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These are based on objective elements and parameters derived from the evaluation of organizational positions, performance and potential. In particular, the incentive systems, in compliance with supervisory provisions, are set up in line with long-term strategies, within a framework of reference rules that guarantee the control of current and prospective corporate risks, and the maintenance of an adequate level of liquidity and capitalization.

MCD is committed to guaranteeing incentive forms of remuneration – also based on financial instruments and linked to corporate results and sustainability performance – congruent with the risk assumed and structured in such a way as to avoid the production of incentives that are inconsistent with the Company's long-term interest. The incentive systems are inspired, among other things, by the principle of symmetry, according to which the amount of bonuses paid is closely related to the results actually achieved at corporate, operational and individual level.

PRINCIPLES OF CONDUCT IN SUPPLIER RELATIONS

MCD, in line with the company's strategies and objectives, establishes relationships with suppliers aimed at safeguarding the principles of ethical, social and environmental responsibility and prefers long-term business relationships based on trust and transparency.

Listening and dialogue

MCD, with the aim of generating mutual value, bases its relationships with suppliers on dialogue and continuous comparison. For this reason, it undertakes to:

- promote a trust-based attitude that involves suppliers in a proactive role and leads them to promptly report problems that require the identification of a common solution;
- dialogue with suppliers to identify areas for improvement, particularly with regard to communication and compliance with contractual terms.

Transparency

MCD takes a clear and transparent attitude to maintain a solid relationship with suppliers over time, recognizing integrity as an indispensable prerequisite. For this reason, it undertakes to:


- seek contractual agreements and choose suppliers on the basis of clear and documentable criteria, which also include environmental, social and governance (ESG) aspects, through an objective and transparent procedure;
- base relationships on the utmost fairness, especially in the management and conclusion of contracts, avoiding situations of conflict of interest, even potential;
- inspire, in the specific case of professional consultancy, one's choices to criteria of professionalism and competence, avoiding conflicts of interest, even potential ones;
- communicate the Company's policies regarding responsible supply chain management to the outside world.

Equity and inclusion

MCD believes it is essential to manage its position of bargaining power in a fair and responsible manner.

For this reason, it undertakes to:

- guarantee equal opportunities in the selection of suppliers, avoiding any form of discrimination;
- ensure that the contracts stipulated with the interlocutors are based on the principle of fairness, especially with reference to payment terms and the onerous nature of administrative obligations.

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Responsibility along the supply chain

MCD is aware that the quality of relations with suppliers and purchasing policies can create the conditions to promote economic development that is attentive to environmental protection and respect for human rights.

For this reason, it undertakes to:

to make its contribution to the protection of the environment throughout the supply chain;

- ensure the right to health and safety, avoiding commercial relations with suppliers involved in violations of the relevant regulations;
- combat all forms of slavery, child and forced labour, excluding commercial relationships with suppliers involved in violations of this principle;
- orient the policies of suppliers and subcontractors towards environmental protection and respect for human and workers' rights, positively evaluating suppliers who base their activities on environmental and social sustainability and who adopt the measures and tools necessary to minimize the negative impacts caused by their activity;
- encourage its suppliers to adopt a responsible attitude, which promotes awareness of the environmental, social and ethical risks and opportunities arising from their activities.

PRINCIPLES OF CONDUCT TOWARDS THE ENVIRONMENT

MCD generates environmental impacts deriving both from its direct activities (direct impacts on the environment) and, above all, from its business (indirect impacts on the environment). In fact, in addition to managing its environmental footprint, MCD can still exert a strong influence on the activities and behaviors of customers and suppliers, in the short and long term, to promote a low-carbon economy and environmental protection.

Listening and dialogue

MCD recognises that listening to and engaging in dialogue with stakeholders involved in reducing impacts

are key elements in ensuring responsible management of these aspects.


For this reason, it undertakes to:

- ensure and promote a constant dialogue with all the interlocutors who represent the "voice" of the environment, seeking a constructive dialogue with them;
- actively participate in national and international initiatives (including regulators, trade associations, international bodies) in order to contribute to best practices in environmental responsibility, as well as to their dissemination, in line with the spirit of the objectives of the Paris Agreement;
- raise awareness among communities and businesses on the good practices to be adopted;
- disseminate environmental values, promoting the involvement of the Company's people, suppliers and customers in the application of responsible environmental practices.

Transparency

MCD promotes clear and transparent behaviour that allows all stakeholders to understand what their environmental performance is. For this reason, it undertakes to:

- make information regarding its environmental strategies and performance accessible to the public at all times through the various communication channels available;
- ensure maximum accuracy and transparency in sustainability reporting.

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Equity and inclusion

MCD believes it is essential to make every component of the value chain responsible for environmental issues, including climate change, to protect those who have no "voice" and future generations.

Responsible management of direct environmental impacts

The principles on which the Company's environmental policy is based are the fight against waste, the progressive improvement of energy efficiency and performance, attention to the environmental and social consequences of one's choices, protection of nature and biodiversity.

For this reason, MCD, in addition to pursuing full and substantial compliance with environmental legislative requirements, undertakes to:


- contribute to the pursuit of achieving net zero emissions by 2050;
- pursue a conscious consumption of resources (e.g. through the reduction of paper consumption and the use of recycled paper), also through the implementation of an environmental impact management system, and promote the progressive improvement of energy and water efficiency;
- ensure the reduction, correct collection and disposal of the waste produced;
- apply the best standards and internationally recognized guidelines for the assessment of environmental impacts.

Responsible management of indirect environmental impacts

MCD also pays attention to the impacts generated by the conduct of third parties such as customers and suppliers, in the knowledge that it can contribute to the dissemination of virtuous processes and behaviors from an environmental point of view also along its value chain. In particular, MCD supports the ecological transition, contributes to the fight against climate change and promotes the protection of nature and biodiversity.

For this reason, MCD is committed to:

- consider climate and environmental risk in the assessment of transactions with counterparties (including customers and suppliers) and in the development of policies, products and services, while enhancing the opportunities offered by the sustainable transition;
- promote and contribute to the transition to an economic and circular development model, which links the creation of value for businesses, territories and communities to the generation of positive impact, making it possible to safeguard natural, economic and social capital;
- promote services and products to foster the development of a low-emission economy, including through the deployment of renewable energy and the improvement of energy efficiency;
- to favor procurement systems from suppliers who are committed to minimizing negative impacts on the environment;
- disseminate environmental values, promoting the involvement and adequate training of the Company's people, suppliers and customers in the application of responsible environmental practices.

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PRINCIPLES OF CONDUCT IN RELATIONS WITH COMMUNITIES

MCD attributes a central role to projects aimed at the growth and social, educational, cultural and civil inclusion of the communities in which it operates, promoting the development of more innovative and inclusive societies: support for people in difficulty, young people, the community and the territory, as well as the enhancement of the Italian artistic, cultural and natural heritage are fundamental elements rooted in the history and way of operating of the Company.

Listening and dialogue

MCD fosters constant dialogue with community representative organizations, recognizing their strategic importance to develop their activities in a sustainable way. For this reason, it undertakes to:

- maintain a constant channel of communication with organizations representing the interests of stakeholders and promote a structured dialogue with the aim of cooperating in respect of mutual interests;
- listen to and take into account the expectations and propositions expressed by the different components of civil society;
- analyze needs and identify areas of intervention with a high social, cultural and civil impact for communities;
- define actions consistent with the listening and dialogue activities developed.

Transparency

MCD always promotes a clear and transparent attitude towards communities. For this reason, it undertakes to:


- represent its interests in a transparent manner;
- operate in a transparent and accountable manner, through procedures that avoid any possible conflict of interest of a personal or corporate nature.

Equity and inclusion

MCD aims to offer an equitable response to the expressed needs of the communities with which it relates.

For this reason, it undertakes to:

- develop their activities in such a way as to contribute to creating greater well-being and leaving no one behind;
- base their activities on a structural system of relationships to co-design interventions, of national or territorial value, in favor of those who are in disadvantaged conditions;
- implement programmes to combat poverty and initiatives for social cohesion and inclusion;
- promote the training of young people through educational inclusion, support for talent and merit, the prevention of school dropout and the development of relational skills;
- support the development of initiatives to support employability, also in relation to the new skills required by the world of work;
- to support equity and the economic and social inclusion of people regardless of gender, gender identity and/or expression, affective-sexual orientation, marital status and family situation, age, ethnicity, religious beliefs, political and trade union membership, socio-economic condition, nationality, language, cultural background, physical and mental conditions or any other characteristic of the person also related to the expression of his or her thoughts;
- to promote the dissemination of education on economics and industrial aspects, without any mixture with commercial activities as a tool for active and conscious citizenship.

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Support for the Third Sector

MCD recognizes the role of the Third Sector for the fair and cohesive development of society, therefore it is committed to:

- pay particular attention to social enterprises and non-profit organizations in the Third Sector and support them also through partnerships for the activation of projects of common utility, recognizing that their activity represents an important factor of social cohesion and promotion of the person;
- promote the establishment of networks of social enterprises for the implementation of initiatives in favor of disadvantaged categories;

Responsibility towards communities in a global sense

Aware of the fact that critical issues and imbalances at the regional level can affect the world balance in the economic, environmental and social spheres, MCD seeks to contribute to the definition of the global scenario for:

- always consider sustainability, whenever there is the opportunity to participate in processes that can guide macroeconomic scenarios;
- orient the policies of client companies towards sustainability where, supporting them in the internationalization processes, they find themselves operating in countries with lower standards of socio-environmental protection;
- support international solidarity initiatives.

Community Support

MCD identifies the needs and requirements, material and cultural, of the community and supports them through donations, sponsorships and partnerships. For this reason, it undertakes to:

- pay particular attention, in the choice of areas of intervention, to consistency with the reference values, the merit of the proposed initiatives and the importance of the social needs they intend to satisfy;
- ensure that donations are consistent with the strategies defined by the Board of Directors;
- enhance and protect the historical, artistic, cultural and natural heritage also for the purpose of its public use.


Institutional relations

Institutional relations with States and their various branches in the countries in which MCD operates and with international bodies are aimed exclusively at promoting a dialogue that allows the Company to continuously assess the implications of legislative and administrative activity with regard to it, to respond to informal requests and acts of inspection (including questions, interpellation). For this reason, it undertakes to:

- adopt specific organisational models to prevent crimes against the Public Administration in line with the relevant legislation, and thus safeguard the interests of the company and stakeholders;
- actively contribute to the initiatives implemented by associations and trade bodies that are aimed at the growth, stability and fairness of the industrial system;
- ensure a collaborative approach with supervisory and judicial authorities.

Promotion of local economies and rooting in the territories in Italy and abroad

MCD intends to ensure effective support for the territory, combining economic results with respect for the fundamental values of local communities, also in order to activate the full potential of the entrepreneurial fabric made up of small and medium-sized enterprises. For this reason, it undertakes to:

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- recognize the fundamental value of the relationship with local communities and proximity to the needs of the territories in which it operates;
- to study the evolution of local and global economic systems to support companies in their strategic choices and to direct the Company's supply policies to support the specific needs of economic entities operating in each territory or district;
- to be close to people and communities with a view to developing centers of excellence even in areas in need of economic revival;
- promote and support initiatives and projects with high social and environmental value, also in partnership with subjects with specific skills.

ADOPTION, GOVERNANCE AND INTERNAL DISSEMINATION OF THE CODE OF ETHICS

The adoption and governance mechanisms of this Code are aimed at integrating corporate strategies, policies and procedures with ethical principles and values through the maximum sharing and dissemination of the contents of the Code itself, monitoring knowledge and awareness.

ADOPTION AND UPDATING OF THE CODE OF ETHICS


This Code and any update thereto is approved by the Board of Directors of MCD and brought to the attention of the Shareholders, the Company's people, customers, suppliers and all those who have a relationship or contact with the Company, including through digital dissemination for the purposes of its implementation.

The Chairman of the Board of Directors, in line with the company's strategies and objectives, is responsible for proposing the appropriate amendments and necessary updates to the Code in order to oversee its consistency and timeliness.

Governance of the Code of Ethics

The governance of this Code is based on:

- the self-responsibility of the structures, called, in the development of their actions and activities, to oversee the reputation of the Company through socially responsible behaviour, inspired by the principles and values of this Code itself;
- the management of reports of alleged non-compliance with this Code to the Board of Directors;
- initiatives for the dissemination of knowledge of the values, principles and commitments expressed in the document and more generally of the culture of sustainability;
- monitoring compliance with the principles and values of the Code by the Board of Directors;
- the possible analysis of an independent third party on the application of the principles of the Code.

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Promotion and dissemination of the Code of Ethics

MCD undertakes to promote knowledge of this Code and its updates, disseminating it inside and outside the Company itself.

The Code is published on the company intranet and on the website accessible to all the Company's stakeholders.

In addition, the Code is delivered to each Director, employee or external collaborator at the same time as the appointment, assumption or start of the collaboration relationship, respectively. At the same time as delivery, the interested parties sign a document in which they declare that they have received the Code, that they have read it and that they undertake to respect its principles.


The values, principles and commitments contained in the Code are shared within the Company through training activities that allow ethical principles to be translated into consistent strategic choices and concrete behaviour during daily operations. In particular, the training initiatives are carried out with methods and contents appropriate to the role held in the company by each person and developed according to a path aimed at completing professional training and increasing personal development.

Management of non-compliance with the Code of Ethics

Reports of any non-compliance with this Code should be sent to the e-mail address **codice.etico@microchannel-devices.com** manned by the Chairman of the Board of Directors or his delegate, or sent by post to the address: MCD - Code of Ethics, Strada della Cebrosa 64, Settimo Torinese (TO), without prejudice to the possibility of evaluating reports received through all the other communication channels available to the stakeholders.

MCD protects those who make reports in good faith from any form of retaliation, discrimination or penalization, ensuring the utmost confidentiality, without prejudice to legal obligations. In addition, MCD ensures the utmost confidentiality on the content of the report and on the identity of the reporting parties, in compliance with privacy legislation and the regulations applicable in this area.

In the event of any non-compliance with this Code, MCD reserves the right to adopt the consequent measures, drawing inspiration - where there is no fraudulent conduct or conduct implemented in violation of specific legal, contractual or regulatory provisions - by a constructive approach that, also through the provision of training interventions, strengthens the sensitivity and attention of individuals regarding compliance with the values and principles stated in the Code.

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