



Code of Ethics for the purposes of Legislative Decree. 231/2001

Premise

This Code of Ethics forms an integral part of the Organisation, Management and Control Model adopted pursuant to Italian Legislative Decree 231/2001 and defines the principles, values and rules of conduct to which all those acting on behalf of or in the interest of the Company must adhere. The Code has an operational purpose: to provide clear, practical and comprehensible guidance on the conduct expected in the performance of daily work activities.

The Decree introduced a system of administrative liability for entities, in addition to the criminal and civil liability of the individual who committed the offence. The provision concerning administrative liability under the Decree involves entities, in relation to the prosecution of the criminal offences expressly provided therein, where such entities have derived an interest or advantage from the commission of the offence. An entity shall not be held liable for such offences if it proves that, prior to the commission of the act, it had adopted and effectively implemented an "Organisation, Management and Control Model" suitable for preventing offences of the type that occurred. The Model consists of a set of control procedures and rules with which company functions must comply in carrying out their activities.

An essential component of the "Organisation, Management and Control Model pursuant to Legislative Decree 231/2001" is this "Code of Conduct" (hereinafter the "Code"). This Code of Conduct, approved by the Board of Directors of Khatod Optoelectronic Srl (hereinafter the "Company") at the meeting held on 18 December 2025, is intended to regulate and proactively monitor the conduct that the persons subject to the Code are required to observe in order to ensure that:

- I. the Company's economic activity is conducted in compliance with the law;
- II. a culture of legality is promoted, including through training and information initiatives;
- III. all activities are carried out with transparency, fairness, propriety, integrity and professional diligence;
- IV. unlawful acts and criminal offences are avoided and prevented, with particular reference to those provided for under Legislative Decree No. 231/2001, as amended.

This Code of Conduct is adopted in full compliance with the provisions of Legislative Decree 231/2001.

1. Recipients and areas of application

The Code applies to: Directors, Managers, Employees, Collaborators and Consultants, Suppliers, Partners, Customers and anyone operating with the Company.

Compliance with the Code constitutes a contractual obligation.

The Code of Ethics is binding and applies to the Company's Directors, Managers and Employees, wherever they operate, whether in Italy or abroad, as well as to external collaborators and consultants acting in the name of and/or on behalf of the Company.

Customers, suppliers and any other parties having dealings with the Company are also required to comply with the provisions of this document.

The members of the Board of Directors and of the supervisory bodies, in the performance of their duties, shall be guided by the principles of the Code.

Managers must give practical effect to the values and principles set out in the Code, assuming responsibility both internally and externally and strengthening trust, cohesion and team spirit.

All employees of Khatod Optoelectronic Srl and other persons working towards the achievement of its objectives, in addition to complying with the laws and regulations in force in the various countries in which it operates, shall align their actions and conduct with the principles, objectives and commitments set out in the Code.

2. General Principles

The Company operates in compliance with the following principles: legality, transparency, fairness, professional integrity, protection of the individual, environmental protection, and protection of information and personal data.

All activities must be capable of being explained, traced and verified.

3. Whistleblowing and Protection of the Reporting Person (Legislative Decree 24/2023)

The Company has established internal reporting channels in compliance with Legislative Decree 24/2023.

Anyone who becomes aware of breaches of the Code or unlawful conduct may submit a report through the designated channels, including on a confidential basis. Any form of retaliation against the reporting person is strictly prohibited.

The Supervisory Body manages reports ensuring confidentiality, impartiality and the protection of the persons involved.

4. Protection of Personal Data and Use of IT Systems (GDPR)

All addressees must process personal data and company information in compliance with Regulation (EU) 2016/679 (GDPR).

It is mandatory to: protect credentials and passwords; refrain from sharing confidential company information; use IT tools exclusively for work-related purposes; and prevent risks such as phishing, unauthorised access and data loss.

Improper use of the internet and company devices is strictly prohibited.

5. Conflict of Interest

A conflict of interest arises where personal interests interfere with those of the Company.

Examples include: family relationships with suppliers; external activities in competition with the Company; personal advantages deriving from one's role.

Any conflict must be promptly disclosed to one's line manager and to the Supervisory Body (OdV).

Directors must comply with the obligations set out in Article 2391, first paragraph, of the Italian Civil Code. A Director who, in relation to a specific transaction, has an interest, whether on their own behalf or on behalf of third parties, that conflicts with the interests of the Company, must inform the other Directors and the Board of Statutory Auditors, specifying the nature, terms, origin and extent of such interest. If the Director concerned is a Managing Director, they must also refrain from carrying out the transaction and refer it to the Board.

6. Gifts, Gratuities and Hospitality

Only gifts of modest value and consistent with normal commercial practice are permitted.

It is prohibited to offer or receive benefits that may influence professional decisions, particularly in dealings with the Public Administration.

Any non-routine gift must be reported to the Supervisory Body (OdV).

Ogni omaggio non ordinario deve essere comunicato all'OdV.

- Any form of gift to Italian or foreign public officials, or to their family members, which could influence their independence of judgement or induce them to secure any advantage, is strictly prohibited. For the purposes of this provision, a "gift" means any type of benefit (including the promise of employment, whether as an employee or consultant, provision of services, travel, etc.);
- Acts of commercial courtesy, gifts or hospitality are permitted only if of modest value and such that they cannot be interpreted as being intended to obtain undue advantages;
- Gifts offered or received that do not fall within normal business practice must be properly documented and notified to the Supervisory Body.

In the conduct of any activity, situations must always be avoided where the parties involved in transactions are, or may be, in a conflict of interest. Anyone operating in a conflict-of-interest situation is required to notify the Supervisory Body immediately.

7. Relations with the Public Administration

Any form of corruption, promise or undue pressure is strictly prohibited. Statements made to public authorities must be truthful, complete and transparent. Public funds may not be used for purposes other than those for which they were granted.

It is not permitted to carry out activities, in any form whatsoever, that have the effect of unlawfully influencing a Client.

In dealings that each employee has, including through third parties, with the Public Administration, the following principles must be observed:

- When participating in public tenders or in any other dealings with a public authority, it is necessary to act at all times in compliance with the law and proper commercial practice, with an express prohibition on engaging in conduct which, to benefit the Company or pursue its interests, may constitute a criminal offence;
 - It is prohibited, whether directly or indirectly or through an intermediary, to offer money, gifts or remuneration of any kind, or to exert unlawful pressure, or to promise any object, service, performance or favour to directors, officials or employees of the Public Administration, or to their relatives or cohabitants, in order to induce them to perform an act within their official duties, or to omit, delay or perform an act contrary to their official duties, in the interest or to the advantage of the Company;
 - It is not permitted to submit untruthful statements to national or European public bodies in order to obtain public grants, contributions or subsidised financing, or in any case to obtain any financial advantage, or to obtain concessions, authorisations, licences or other administrative acts;
 - Sums received from national or European public bodies as grants, contributions or financing must not be allocated to purposes other than those for which they were awarded;
 - It is prohibited to alter the operation of an IT or telematic system, whether owned by the Public Administration or by private entities, or to manipulate its data to obtain an undue profit for the Company or for third parties, thereby causing damage to the legitimate owners.
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8. Relations with Customers and Suppliers

The selection of suppliers is carried out according to objective criteria of quality, reliability and price.

Customers must be provided with accurate, clear and truthful information. Respect for human rights and ESG principles is required throughout the supply chain.



Relations with Customers

In dealings with customers, employees of Khatod Optoelectronic are required to:

- Provide, efficiently and courteously, within the limits of contractual provisions, services of a quality consistent with the customer's reasonable expectations;
- Provide accurate, comprehensive and truthful information regarding the services supplied, so as to enable customers to make informed decisions;
- Act in compliance with laws and regulations, without abusing their position, and with impartiality and transparency.

Relations with Suppliers

In dealings with suppliers of products and services, employees of Khatod Optoelectronic must:

- Select suppliers based on objective criteria such as price and quality of service;
- Comply with contractual terms and applicable legal provisions;
- Maintain relationships consistent with good commercial practice;
- Act in compliance with laws and regulations, without abusing their position, and with impartiality and transparency.

9. Accounting and Internal Controls

Every transaction must be documented, traceable and verifiable.

Accounting data must present a true and fair view of the Company's position. It is prohibited to obstruct control or audit activities.

Transparency of Accounting and Corporate Communications

Every operation and transaction carried out within Khatod Optoelectronic must be properly recorded. Each transaction must be supported by adequate documentation, so as to allow checks to be performed verifying its characteristics and underlying reasons, and identifying who authorised, executed, recorded and reviewed the transaction.

Financial statements, reports and corporate communications required by law must be prepared, in compliance with the provisions of the Civil Code and accounting principles, with clarity and transparency, and must present a true and fair view of the Company's assets and financial position.

All Khatod Optoelectronic personnel involved in the process must:

- Provide clear and complete information;
- Ensure the accuracy of data and processing;
- Report any conflicts of interest;
- Refrain from interfering in any way with the content of reports or communications prepared by those responsible for auditing, or from influencing their independence;
- Not prevent or hinder the proper performance of the activities of the corporate bodies, auditors and shareholder, cooperating, where required, in the conduct of any control or audit of the Company's management as provided for by law. In particular, it is prohibited, by concealing documents or using other fraudulent means, to engage in conduct that prevents or in any way hinders the control or audit activities legally entrusted to the shareholder, the Board of Statutory Auditors or the auditing firm.
- Notifications, communications and filings with the Companies Register, which are mandatory for the Company, must be carried out by the persons identified by law in a timely and truthful manner and in compliance with the applicable regulations.

Internal Controls

Khatod Optoelectronic promotes, at all levels, a control-oriented culture in recognition of the contribution it makes to improving efficiency. Internal controls are understood to mean the tools necessary to direct, manage and verify the activities of each individual corporate function, with the aim of ensuring compliance with the law and company procedures, safeguarding the Company's assets, managing operations efficiently and providing accurate and complete accounting data.

Responsibility for implementing an effective internal control system is shared at every level of the organisational structure.

Accordingly, all employees of Khatod Optoelectronic, within the scope of their respective functions, are responsible for defining and ensuring the proper functioning of the control system and shall, under no circumstances, be induced to perform or omit acts in breach of their professional duties or contrary to the interests of the Company.

To this end, and as an organisational safeguard, the Company ensures an internal allocation of duties designed to guarantee that:

- There is an adequate level of segregation of responsibilities, such that the execution of each process requires the joint involvement of different corporate functions;

- All actions and transactions of Khatod Optoelectronic are properly recorded and it is possible to verify the decision-making, authorisation and execution process;
- Each transaction is supported by adequate documentation in order to allow, at any time, the performance of checks verifying its characteristics and underlying reasons and identifying the persons who authorised, executed, recorded and reviewed the transaction;
- All internal documentation is maintained accurately, comprehensively and promptly in accordance with company procedures;
- All employees involved in accounting records ensure the utmost cooperation, as well as the completeness and clarity of the information provided, and the accuracy of data and processing.

10. Relevant Offences under Legislative Decree 231/2001

The Company prohibits any conduct that may constitute offences provided for under Legislative Decree 231/2001, with reference to: offences against the Public Administration, corporate offences, environmental offences (Article 25-undecies), IT offences, and money laundering.

11. Environment, Health and Safety

The Company safeguards the environment and workers' safety in compliance with applicable legislation.

Every employee has a duty to report any risk situations.

Environmental protection, as well as the health and safety of workers, are top priorities for Khatod Optoelectronic.

Within the limits established by applicable legislation, the Company undertakes to maintain a workplace focused on safety and to provide employees, according to the activities performed, with all suitable and necessary equipment to protect them from any risk or danger to their physical integrity.

To this end, the Company is required to inform all employees of the conditions imposed by law, as well as of the practices and procedures it has adopted in the field of health and safety.

Employees, in turn, undertake to comply with the conditions laid down by law and with all practices and procedures adopted by the Company.

The Company shall also maintain its plants, offices and operating systems in such a way as to comply with all safety standards.

Finally, Khatod Optoelectronic shall carry out audits and periodic checks to ensure that all safety measures are effectively implemented and observed and shall take prompt action wherever corrective measures are required.

In any event, employees are required to report to the designated manager any action or condition that does not comply with safety standards.

Any form of retaliation against employees who, in good faith, raise concerns regarding health and safety is strictly prohibited.

The Company shall also operate in a manner aimed at preserving and protecting the environment, in compliance with all environmental legislation, as well as with any additional provisions and procedures adopted by the Company.

To this end, Khatod Optoelectronic undertakes to:

- Assess and manage environmental risks connected with all aspects of its activities;
- Promptly remedy conditions that pose a threat to the environment.

Employees, in turn, are required to report to the designated manager any event that may constitute an environmental risk.

12. Protection of the Individual and Human Rights

Any form of exploitation forced labour or child labour is strictly prohibited.

The Company promotes inclusion, respect and the dignity of the individual.

In compliance with applicable legal provisions, the Company undertakes not to establish any employment relationship with persons who do not hold a valid residence permit and not to carry out any activity intended to facilitate the unlawful entry of undocumented persons into Italy.

In accordance with the Conventions of the International Labour Organization, Khatod Optoelectronic undertakes to:

- Respect fundamental human rights;
- Prevent child exploitation;
- Refrain from using forced labour or labour performed under conditions of slavery or servitude.

Khatod Optoelectronic therefore requires that, in both internal and external working relationships, no situation arises involving the reduction or maintenance of a person in a state of subjection through violence, threats, deception, abuse of authority, exploitation of a situation of physical or psychological vulnerability or necessity, or through the promise or provision of sums of money or other benefits to those exercising authority over that person.

13. External Communications

Only authorised persons may issue statements on behalf of the Company. Information disclosed must be accurate and transparent.

The Company communicates with the press and mass media exclusively through its corporate bodies and business functions specifically delegated for this purpose, adopting an approach of utmost fairness, openness and transparency, in compliance with the communication policy defined by the Company. Addressees are required not to provide information to the media unless they have been expressly and previously authorised to do so by the competent functions.

In all cases, information and communications relating to the Company and intended for external audiences must be accurate, truthful, complete, transparent and consistent.



14. Use of Company Assets

Company assets must be used with due care and exclusively for work-related purposes.

To safeguard company assets, every employee and collaborator is required to act diligently, through responsible conduct consistent with the operating procedures established for their use, and to accurately document their utilisation. In particular, each employee and collaborator must:

- Use the assets entrusted to them carefully and sparingly;
- Avoid improper use of company assets that may cause damage, reduce efficiency, or otherwise conflict with the Company's interests;
- Consider themselves responsible custodians of Khatod Optoelectronic's assets; no employee may make improper use of such assets;
- Be responsible for protecting the resources entrusted to them and promptly inform their line manager of any events that may be detrimental to the Company.

15. Condition for Duties and Relevant Personal Circumstances

Khatod Optoelectronic provides all personnel with information and training tools with the aim of enhancing specific skills and professional expertise, paying particular attention both to the training of newly recruited staff and to that of employees already working within the Company.

Where the conditions set out in the preceding provisions apply, and in any other case where reasons of appropriateness or expediency arise, personnel shall refrain from the relevant activity and inform their direct superior without delay.

Without prejudice to contractual provisions on the matter, personnel must not accept external appointments in companies or commercial enterprises whose interests are directly, or even potentially, in conflict or interference with those of Khatod Optoelectronic and, in any event, must not accept collaboration assignments with persons or organisations that have, or have had within the previous two years, an economic interest in decisions or activities relating to their office.

For the purposes set out above, Khatod Optoelectronic personnel, in order to enable the assessment of any incompatibilities, shall inform their direct superior of any activities and appointments assigned or otherwise attributed to them.

Personnel must not accept remuneration or other benefits from parties other than Khatod Optoelectronic for services they are required to perform in the course of their official duties.

Personnel must not solicit from their direct superiors the granting of paid assignments.

Addressees of this Code must perform their work duties in physical and psychological conditions suitable to ensure their own safety and that of others. It is prohibited to carry out work activities under the influence of alcohol or narcotic substances.

Each addressee is required to promptly inform their line manager or the Supervisory Body of any personal circumstances, legal proceedings, restrictive measures or individual conditions that may affect their fitness to perform their assigned duties, safety, professional reliability, or that may give rise to a conflict with the role held.

Such communications shall be handled in compliance with the applicable legislation on confidentiality and the protection of personal data.

16. Sanctions

Violations of the Code shall result in the application of sanctions provided for by law, the National Collective Labour Agreement (CCNL), and the Company's disciplinary system.

17. Code Updates

The Code is subject to periodic updates by the Board of Directors, with the support of the Supervisory Body (OdV), the most recent update having been approved by the Board on 18 December 2025.

Any amendments to this Code of Conduct shall be approved by the Board of Directors.

The Human Resources function is responsible for informing all employees about the contents of this Code of Conduct, which shall be adequately publicised. Each member of the Company's Board of Directors, as well as each external collaborator and/or consultant, must sign the Code to signify their acceptance upon assuming their position or entering into the relevant collaboration agreement. For these latter parties, the provisions of this Code of Conduct shall constitute a specific contractual obligation, with the Company retaining the right to terminate the contract in the event of a violation of this Code of Conduct.