

**ENERCON GROUP
CODE OF ETHICS AND
BUSINESS CONDUCT**





MISSION CRITICAL POWER CONVERSION SOLUTIONS

Message from the CEO

Dear Employees,

Enercon is committed to maintaining the highest level of integrity, professionalism and ethical conduct at all times.

This Code of Ethics and Business Conduct (“the **Code**”) presents you with the manner in which we choose to conduct our business at The Enercon Group of companies which includes Enercon Technologies Ltd., Enercon Technologies Europe AG, Milpower Source Inc., Multisphere Power Solutions Private Limited, Mil Power Magnetics India Private Limited and Mil Power Converter Technologies India Private Limited (together or separately: “**Enercon**”).

The Code determines the general principles and guideline for the business conduct that we wish to promote in our company and that we believe is essential to our success.

The Code applies to all employees of the Enercon Group, as well as to contractors and agents acting on our behalf.

You must familiarize yourself with the Code and ensure that you understand and abide by the guiding principles and the Enercon policies when fulfilling your daily work responsibilities.

Adhering to the rules of the Code and to the legislation and regulations applicable to Enercon, will increase our sense of pride and belonging to the Enercon Group, will contribute to our group’s strength, enhance our business success and help maintain our reputation.

Please contact your supervisor, a senior management member or other sources indicated in the Code with any question regarding the Code.

Respectfully,
Eyal Shary

CEO, Enercon

Introduction - Our Code of Ethics and Business Conduct

Why do we need a Code?

Our uncompromising integrity, transparency, professionalism, fairness, ethical standards and compliance with the law are the cornerstones of our relationship with our customers, business partners, company owners and employees. These values are a central component of the culture at Enercon. It is your responsibility to incorporate them into your daily tasks.

This Code of Ethics and Business Conduct is intended to clarify the importance that we place on ethical business conduct and to set the principles which we implement in order to achieve our goals. In particular, the purpose of the Code is to establish policies and guidelines to ensure and/or promote the following:

- Fair and ethical conduct.
- Transparency towards our employees, customers, suppliers, and other stakeholders.
- Compliance with applicable laws and regulations.
- Conflict of interest prevention.
- Respect to our employees and their rights.
- Protection of Confidential Information and of Personal Data.
- Protection and proper use of our assets.

It is important to emphasize that the Code compliments, and does not override, any other obligation or standard applicable to you in accordance with local law, other policies, procedures, or other guidelines of Enercon, as well as your employment agreement with Enercon.

Who must adhere to the Code?

This code applies to the Enercon Group of companies which includes Enercon Technologies Ltd., Enercon Technologies Europe AG, Milpower Source Inc., Multisphere Power Solutions Private Limited, Mil Power Magnetics India Private Limited and Mil Power Converter Technologies India Private Limited. (Together or separately: “**Enercon**”), including our employees and the contractors and agents who operate on our behalf.

What is your responsibility?

As important members of the Enercon Group, we expect you to:

- Know the Code and make sure you understand and follow its instructions and guidelines.
- Ask for guidance from and consult with the relevant team members listed in the Code if you are not sure what to do; and
- Report violations and suspected violations of the Code and as well as report matters that concern you.



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If you are a manager, we also expect you to:

- Set an example; Put special emphasis on your own conduct according to our values and ethics.
- Advise your employees and other staff members reporting to you; Encourage an atmosphere that welcomes questions, answers, and open discussions; and
- Support the Code; Ensure that your business conduct (including the policies and procedures relevant to your department) complies with the Code and reflects the way we do business.

Rules for compliance with the Code: If in doubt, you should act as follows:

1. Ask yourself whether you act honestly and fairly, whether you might face a problem if your actions were published, and think about how your colleagues would respond to your behavior.
2. Ensure that your actions are legal.
3. Read the Code and look for answers. Even if your actions are legal, do they comply with the code? And finally,
4. If you are still in doubt, ask for guidance.

How are violations and matters of concern reported?

We encourage the reporting of violations.

If you are aware of a violation or if you suspect a violation of this Code, or of any law or policy or other guideline of Enercon, including fraud or any other unethical behavior involving an employee of Enercon, you are obliged to report this information immediately to your manager or to the local HR manager. You may submit this report anonymously, but such a report must be very detailed so that we can handle the report appropriately.

Any report of a violation or suspected violation will be investigated thoroughly and immediately by our relevant executive such as the local HR manager, the CFO or even our CEO (or anyone acting on their behalf).

Enercon protects those who communicate bona fide concerns from any retaliation for such reporting.

Disciplinary Actions?

An employee who violates the standards in this Code will be subject to disciplinary actions which may even result in termination of employment.

Conflicts of Interest



Avoid Conflict of Interest, act on behalf of Enercon.

Enercon expects you to avoid conflict of interests, to act on behalf of the company and to serve its interests, and not to have any personal or business interests interfere with this principle.

What is 'Conflict of Interest'

"Conflict of interest" exists whenever your private interests interfere or may interfere in any way, or appear to interfere, with the interests of Enercon.

Pay attention also to mere appearance of a conflict since such appearance might impair confidence in, or the reputation of the company, even if there is no actual conflict or wrongdoing.

What to do when you suspect a Conflict of Interest on your part or from a peer's part?

Immediately disclose your concern to your supervisor, in writing, if required. If the circumstances require it, the supervisor will inform management.

Conflict of Interest might take place when:

- You hold a second position or serve in a board of directors at another company (paid or unpaid), which may result in a conflict of interest with your position at Enercon. Employees are expected to devote their full time and attention to Enercon's business, and, therefore, you should avoid outside business activities. This is especially true when outside activities relate to companies that have connections with Enercon's business. ❌
- You hire friends or relatives; However, if there is a business need, we may consider hiring a first degree relative of an Enercon employee, subject to the conditions and procedure set out in our policy regarding working with people with whom you have different types of personal relationships.
- You or your family Have a financial interest in an Enercon competitor, customer, supplier, or other partner (above 1% of the shares of a public company or 5% of the shares of a private company); ❌
- You accept from customers, suppliers, or other partners of the Company, a gift or other benefit which may impair your judgment. ❌

What to do when you wish to hold another position at another company or serve in a board of directors?

Disclose this to your manager and obtain the approval of Enercon's CFO.

Our Employees



Respect for our Employees

The way we treat each other affects the way we do business. All of us deserve a working environment in which we are treated with respect and fairness.

Equal Opportunities

Enercon is committed to equal opportunities at work and to employing the best people without discrimination based on race, skin color, religion, gender, age, sexual orientation, nationality, disability, or any other basis protected by law.

Diversity

Enercon encourages employment diversification and employs different and diverse populations.

Human Rights

Enercon is committed to upholding fundamental human rights. We do not allow forced labor and do not allow child labor.

Hostile environment and Harassment

Enercon strongly objects to any kind of harassment or bullying, including sexual harassment, maltreatment and any such conduct which is forbidden and will not be tolerated. Enercon is committed to a workplace that is free from sexual, racial, or other unlawful harassment.

Harassment may involve words, gestures, humiliating statements, offensive jokes and/or offensive practical jokes, pictures, emails, etc. Sexual harassment may involve request for sexual gratification, verbal comments about the appearance of a person, display of sexually suggestive images and/or objects.

What to do when you experience or suspect any type of Harassment or Discrimination?

Any employee who believes that he/she have been harassed, threatened, or discriminated against, should report this to his/her local HR manager. All efforts will be made to handle the investigation confidentially.

The Company will not, in any way, retaliate against employees who make such complaints in good faith.

Personal Data Protection



Personal Data Protection

Enercon respects the privacy of all individuals, and we take appropriate measures to protect the Personal Data of our customers, our employees, and other parties we engage with. When we collect and process personal data, we will do so in compliance with the applicable data protection and privacy legislations.

Employees' Personal Data

Enercon collects and maintains Personal Data that relates to the employment of its employees. Such data is protected, and access to it is limited only to personnel with a need to know such information for a legitimate purpose. For more information, please review the '*Enercon Employees Data Privacy Policy*'.

Other types of Personal Data

Enercon also collects and maintains personal information with respect to its customers, customers' employees', and other various business partners. Such data is protected in accordance with the '*Enercon Data Privacy Policy*'.

Handling Personal Data

If, as part of your daily activities, you are handling and/or are exposed to Personal Data regarding Enercon's customers, employees, or other parties, you must follow our procedures to protect the confidentiality of this information and to ensure proper use and disclosure.

Personal Data Breach

Any unauthorized use or access to Personal Data must be immediately reported to Enercon's Head of IT.

Anti-Bribery and Anti-Corruption



Anti-Bribery & Anti-Corruption

Bribery or the receipt of a bribe is strictly forbidden. We must not offer to or accept payment or anything of value from our customers, representatives, distributors, or business partners in exchange for any business advantages.

Gift & Hospitality



Bribe may take place in the form of Gift, Hospitality, and anything else of value which may improperly influence your judgment or the judgment of others.

Employees must not give anything of value, directly or indirectly, to any third party involved in the company's business, including a 'Governmental Official', in consideration for the recipient's assistance or influence, to obtain favored treatment for the Company. Under no circumstance is it acceptable for any Employee to offer, give, solicit, or receive any form of bribe, kickback, payoff, or inducement.



What to do when you are considering offering gifts or hospitality, or those are offered to you:

Third Parties acting on our behalf

We may be liable for the actions of third parties acting on our behalf, including representatives, agents, business partners, consultants and contractors. We must, therefore, obtain knowledge regarding a 'Third Party' that we engage with to promote our business or to act on our behalf.

What do to when I seek to engage a 'Third Party'?

Review and follow the Enercon 'Third Party Engagement Procedure', where you can find all rules and approval requirements.

When in doubt

Please address the Enercon CFO.

Contributions and Charity

Charity made to, on behalf of or at the request of a Third Party may also create an actual or an appearance of improper influence, and may, therefore, only be permitted subject to conditions, documents and approvals. Please see the Enercon 'Gift & Hospitality' Procedure.

Pay attention - Government Officials involvement



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Review and follow the Enercon 'Gift & Hospitality' Procedure, where you can find all rules and approval requirements.

The rules are stricter when Government Officials are involved.

A "Government Official" is a representative, officer, and/or employee of any governmental agency, government owned (in whole or in part) or controlled entity, political party, and/or public international organization, including political parties and candidates for public office.

Enercon and the Marketplace



Respect for the Marketplace

Enercon is committed to conducting its business fairly and with respect to the marketplace.

Competition

Enercon is committed to the principles of fair competition, and deals fairly with its suppliers, customers, and competitors. Our products and services are sold based on their high quality, excellent performance, and competitive pricing. Enercon will make independent marketing and pricing decisions and will not collude with its competitors.

How can you Determine what actions may harm fair trade?

This is an issue which depends on the structure of the market and several other factors. When in doubt as to the legality of any communication, action, arrangement or transaction, an Employee must contact his/her manager.

What Actions are prohibited:

Employees must avoid:

- (a) discussing with a competitor prices, costs, production, products and services, bidding practices, other non-public business matters; and

Media and Public

We are committed to providing full, fair, and accurate disclosure in all public communications and in compliance with all applicable law, regulations, and rules.

Employees are not authorized to answer questions from the media, analysts, investors, or any other members of the public. Upon receipt of any such inquiry, the Employee must immediately notify the Company's CEO.

When using social media Employees are advised not to:

- (a) engage in harmful, abusive, harassing, or illegal conduct towards other employees (or any other person).
- (b) publish or share information that may negatively affect other employees, the company or other organizations related to the company.
- (c) Not to share information that is considered intellectual property of the company or its customers.

Corporate Social Responsibility and H&S

Enercon's activities shall be designed in a way that meets applicable international standards for maximizing energy efficiency and recycling



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(b) restricting the right of a customer to sell a product or service at or above any price.

efforts and minimizing material resource use and the release of pollutants.

The health and safety of our Employees, visitors, customers, and users of our products is our highest priority. Therefore, we are committed to provide a safe and healthy work environment and develop, manufacture, and distribute safe products. Employees must immediately report any safety or environmental hazards in their work environment or of our products, any accidents, injuries or illnesses in the course of your duties to their supervisor.

Company Assets



Protection of Company Assets

Employees must maintain the property of the company and use it in a proper and efficient manner.

All Employees must protect the property of the company from loss, damage, misuse, theft, misappropriation, embezzlement, and destruction.

Employees may not use proprietary or confidential information for their own personal gain, benefit or the benefit of others.

This responsibility applies to tangible and intangible assets, including trademarks, professional know-how, confidential information, financial information, plans, data, and information systems.

IP, Trade Secrets and Confidential Information

A trade secret is business information of any kind which is not public and which provides the company a business advantage over its competitors. Trade secrets include intellectual property rights, business plans, objectives and strategies, information about customers, suppliers, employees, or any other information related to the business of the company.

Employees must refrain from fraud or any other form of dishonest conduct related to the

Physical Property

The physical property of Enercon includes equipment, instruments, information systems and materials. This property must only be used for the business of Enercon in a proper and lawful manner. Negligible personal use of such property and systems is allowed (i. e., moderate use limited in time and use that does not violate the procedures and policies of the Company or interferes with the fulfillment of duties).

Internet Use

Employees must limit their personal use of the Internet using the Company's computers during the workday. Enercon prohibits the use of the Internet for the purpose of sending unsolicited group messages, accessing pornographic websites, gambling and gaming websites or competitive commercial activity. Furthermore, the Internet may not be used for illegal or prohibited activities, such as copyright infringement, profanity, libel or defamation, fraud, slander, illegal gambling, or damaging computers (such as distributing computer viruses).

Network Use, Integrity & Security

To maintain systems integrity and protect the Company information, no Employee should allow others to use his/her personal access

property or assets of the Company or any third party.

Failure to comply with the above may lead to criminal proceedings in addition to disciplinary penalties.

Discloser of Confidential Information

Employees shall not disclose confidential information outside of the Company, except with written authorization of the Company or as may be otherwise required by law and subject to the signing of an NDA.

Industrial Espionage

Industrial espionage is a serious risk to the Company's business. Therefore, information about the Company must be treated with utmost care to prevent leakage of information that may endanger the Company's operations. As a result, the Company acts with extreme care and strictness regarding any suspicion of espionage or disclosure of trade secrets.

permissions and any passwords which are personal and role-based.

Any suspected breach of the Company's network security systems should be reported to an applicable manager or to other appropriate internal authority immediately.

To learn more about Information Security

Please address the Enercon Head of IT.

Return of Company Property

Upon termination of your contract with Enercon for any reason, Employees must return any company property in their possession to Enercon (such as documents, media containing copyrighted information, computers and mobile devices, cell phones, cars and any other property received from Enercon or on its behalf). Employees may also not disclose and must cease to use confidential or copyrighted information of Enercon.

Accounting Practices and Books & Records



Accounting Practices and Books & Records Audits

The Company is transparent regarding its financial condition in compliance with applicable accounting principles, laws, rules, and regulations. Honest and accurate recording and reporting of information is critical to our ability to make responsible business decisions.

The Company's accounting records are relied upon to produce reports for the Company's management, investors, governmental agencies, and others.

All Employees and, in particular, the Chief Executive Officer, the Chief Financial Officer, the comptrollers and all book keepers, have a responsibility to ensure that the Company's accounting records do not contain any false or intentionally misleading entries.

Accurate recording of transactions

Our financial statements and books and records must accurately, fairly and in reasonable detail, reflect all corporate transactions, Company's assets, liabilities, revenues and expenses, and conform to all legal and accounting requirements.

Any effort to mislead or coerce an auditor, whether internal or independent, concerning issues related to the audit, accounting, or financial disclosure has serious legal consequences for the perpetrator, including criminal sanctions, and is strictly prohibited. If an Employee becomes aware of any violation of this policy, he/she must report the matter immediately to the Enercon CFO.

Compensation and reimbursement records

All Employees should accurately and truthfully complete all records used to determine compensation or expense reimbursement. This includes, among other items, reporting of hours worked with respect to the Company (including overtime), reimbursable expenses (including travel and meals), and sales activity.

Asking Questions and Reporting Violations of the Code

Asking questions about our code

For any question or concern regarding the Enercon Code of Ethics and Business Conduct, please address:

India- alka@enercon.in

Israel& Europe- meytal.blum@enercon.co.il

US- nicole.murray@milpower.com

Violations of the Code

Allegations of Code violations will be reviewed and investigated by the Company's management. Violations of this Code may result in suspension of work duties, diminution of responsibilities or demotion, and termination of employment, among other actions.

Duty to Report Violations

Employees are responsible to be aware of the company's policies applicable to their activities and to fully comply with them. Additionally, it is the responsibility of the Employees to report any suspected improper conduct, through the appropriate management channels or any specific and/or anonymous mechanism established by the Company for this purpose and assist the Company in preventing and correcting such issues. We encourage our Employees to talk to the managers or other relevant staff members regarding illegal or unethical conduct that has been observed and regarding which they are unsure about the best course of action. Employees who know or have reason to believe that other Employees engage in conduct violating this Code must report this to the Company. Additionally, Employees are expected to cooperate fully with the Company or government authorities in any investigation of an alleged violation. Any failure to comply with these guidelines constitutes a material violation and will result in disciplinary actions.

Last update: January 2022

Whistleblowing

It is important for the Company to create an open, transparent, and safe working environment where Employees feel able to speak up. No retribution against any individual who reports violations of this Code in good faith will be permitted. Every effort will be made to investigate any report within the confines of the limits on information or disclosure such reports entail. While self-reporting a violation will not excuse the violation itself, the extent and promptness of such reporting will be considered in determining any appropriate sanction, including dismissal. The Company will investigate any matter which is reported and will take any appropriate corrective action.

How should I act? Practical Guide

We all must act in order to ensure rapid and consistent action against violations of this Code. There are situations in which it is difficult to know what is right and what is not. These steps should provide a way to approach a new question or issue:

- Make sure you have all the facts.
- Ask yourself: What exactly am I asked to do? Does it seem unethical or inappropriate?
- Clarify your responsibility and your role. Are your colleagues aware? Involving others and discussing the issue may help.
- Discuss the issue with your supervisor.
- Seek help within the Company's resources if it may be inappropriate to discuss the issue with your supervisor or you may feel uncomfortable.
- Always ask before you act.