



**ELETTROMAULE COMPONENT S.r.l.**  
power and distribution transformers accessories  
Gnutti Cirillo Group

# Corporate Code of Ethics

Approved by Management - Elettromaule Component Srl

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## 1. THE COMPANY

Elettromaule Component S.r.l. is an Ltd Company that operates in the electromechanical industry, in particular in the market of components for transformers, disconnectors / switches and electric motors. Strong of its consolidated technical expertise, Elettromaule Component intends to be an ideal reference for the design, development and production of components for transformers, offering full support to its customers at the international level.

## 2. INTRODUCTION

The Code of Ethics is the document of moral rights and duties that defines the corporate ethical - social responsibility of the Company Elettromaule Component Srl. The Code is consistent with what is specified in the legislative decree 8 June 2001 n° 231 and intended to prevent illegal or irresponsible conduct by those who work for and/or on behalf of the Company. The Code also defines the responsibilities of each Company entity towards all parties involved in the Company business, namely customers, suppliers, partners, employees, collaborators, public institutions and anyone else interested in the Company's business.

The addressees of this Code of Ethics are required to fully comply with the principles and values contained therein, as well as to protect the image and respectability of the Company, and to preserve the integrity of its human, social and economic assets.

Through this Code of Ethics, Elettromaule Component Srl intends to present itself to the market as a Company with morally elevated values such as compliance with the law, respect for workers and the environment, fair competition, being faithful to principles and values of democracy, equality, solidarity.

## 3. GENERAL PRINCIPLES

### 3.1 ADDRESSEES OF THE CODE OF ETHICS

All addressees of this Code of Ethics are required to know its contents and to observe the principles contained therein.

In addition to compliance with regulations in force and the provisions of collective bargaining, the corporate employees undertake, within their activities and functions, to abide by their responsibilities both inside and outside the Company; to operate with a view to cohesion, cooperation and trust, in compliance with applicable laws and regulations in any situation and context; to comply with this Code of Ethics; to contribute to its application and to report any defects or violations. The Management must comply with the Code of Ethics in proposing and carrying out projects, investments and actions useful to increase the economic value of the Company and well-being of employees, customers and suppliers.

### 3.2 DISSEMINATION OF THE CODE OF ETHICS

The Management of Elettromaule Component Srl undertakes to disseminate the Code of Ethics inside and outside the Company and to closely supervise its observance in order to ensure the transparency of measures and behaviors implemented and, if necessary, to take corrective action.

Employees undertake to promptly report violations of the Code of Ethics so that Management can take all actions necessary to protect and restore compliance with regulations and laws.

### 3.3 FUNDAMENTAL RIGHTS

Elettromaule Component Srl operates with due regard to the fundamental rights of all individuals, protecting their moral integrity and ensuring equal opportunities.

Internally, the Company promotes a peaceful work environment, in which everyone can work in compliance with the laws, principles and common values. The Company does not tolerate any form of isolation, exploitation, harassment or discrimination, for personal or work reasons. It is also expressly prohibited any kind of discrimination based on the differences in race, language, color, faith and religion, political affiliation, nationality, ethnicity, age, sex and sexual orientation, marital status, disability and physical appearance, economic and social condition.

### 3.4 VALUE OF HUMAN RESOURCES

Elettromaule Component Srl recognizes that employees and collaborators are an essential factor for the Company's success. For this reason, the Company promotes their enhancement, autonomy and involvement in corporate decisions. Moreover, through the preparation of training programs and courses, the Company undertakes to upgrade individual and group skills, as evidence of the belief that professional growth and individual contribution are fundamental elements for business development in an environment characterized by team spirit and sense of belonging.

## 4. CRITERIA OF CONDUCT

### 4.1 MANAGEMENT COMMITMENTS

In the awareness of its responsibilities, the Management of Elettromaule Component Srl takes inspiration in the principles contained in this Code of Ethics and is committed to direct its activities to values of honesty and integrity in the pursuit of corporate objectives, loyalty, correctness, respect for people and rules, mutual cooperation. Especially, the directors undertake to the responsible management of the Company, to establish relationships with their collaborators based on mutual respect and fruitful cooperation, to promote the development of the spirit of belonging to Elettromaule Component Srl.

Elettromaule Component Srl also considers the motivation of employees to be fundamental. Therefore, it undertakes to implement and maintain the correct, valid and motivating flow of information in order to make employees aware of the importance of everyone's role in the Company.

More specifically, Elettromaule Component Srl undertakes:

- 4.1.1** To ensure the dissemination of the Code of Ethics among employees and external collaborators;
- 4.1.2** To provide every possible clarification on interpretation and implementation of the rules of the Code of Ethics, in particular as regards its application in business procedures;
- 4.1.3** To carry out checks on every notification of violation of the Code of Ethics and, in case of violation, to take appropriate punitive measures;
- 4.1.4** To take all safety measures and to ensure that the physical integrity and moral personality of the employees shall always be maintained.

Elettromaule Component Srl also guarantees the protection and safety in the workplace for its staff and

third parties, committing itself to compliance with the legislation on safety in the workplace and to promoting the safety of all the places of the work environment including the rules beyond the explicit legal obligations.

Elettromaule Component Srl ensures the protection of the principle of equal opportunities and manages career and salary advancements on this basis, in a continuous and balanced comparison with the target market, undertaking to ensure transparency, seriousness, correctness and clarity on the valuation methods applied.

Elettromaule Component Srl undertakes to operate with respect of the environment, takes attitudes aimed at promoting the culture of respect for the environment and waste prevention among all parties connected to the Company, always operating in compliance with the laws in force.

## **4.2 DUTIES OF EMPLOYEES**

Beyond the legal and contractual obligations regarding the duties of workers, employees are required to be professional, honest, dedicated, loyal and to have the spirit of collaboration and mutual respect.

Moreover, the spirit of Elettromaule Component Srl means that the employees participate in the Company's activities with enthusiasm and the desire to increase their skills and awareness that the professional contribution of each employee is the main key to the success of Elettromaule Component Srl.

All employees are guaranteed equal opportunities to express their professional potential.

More specifically, each employee must:

- 4.2.1** Refrain from conduct contrary to the rules indicated in this Code of Ethics;
- 4.2.2** Promptly report to management any information regarding possible violations;
- 4.2.3** Behave with utmost transparency, fairness and legitimacy, working with commitment and professional rigor, providing an adequate contribution to the assigned responsibilities and acting in a way to protect the reputation and good name of the Company;
- 4.2.4** Provide maximum work efficiency regardless of the level of responsibility deriving from work position, to follow the instructions given by superior hierarchical levels;
- 4.2.5** Contribute with colleagues and superiors to the achievement of common objectives;

Relations between employees are based on utmost mutual respect, fairness, collaboration and peaceful coexistence.

The employees and external contractors of Elettromaule Component Srl are required to make an ongoing commitment to share acquired skills and to continuously improve them on the basis of personal will and through the tools offered by the Company.

Elettromaule Component Srl promotes the continuous improvement of each employee, the teamwork and the spirit of collaboration and belonging paying special attention to time management and decision-making skills; the Company therefore aims to achieve excellence starting from the individual level to reach the corporate level.

According to their skills and activities all Company employees are required to inform third parties about the rules and principles contained in this Code of Ethics, to demand the application and compliance with the rule and, in the event of non-compliance, to inform the Management.

### 4.3 USE OF COMPANY VEHICLES AND EQUIPMENT

Each employee is required to use the Company's infrastructures, vehicles, tools and materials with the utmost respect. It is strictly forbidden for employees to use Company equipment for private purposes or interests, or in competition with Company activities. Every non-compliant use of Company equipment must be promptly reported to the Management.

Company vehicles and equipment mean premises, furniture, furnishings, tools, Company vehicles, computers, servers, photocopy machines, printers, telephones, faxes, stationery and the like, as well as all the functions of the Company computer system (databases, software, internet, e-mail and the like).

The use of Company vehicles, equipment and materials is allowed to employees outside the Company only for reasons related to Company activities such as business travel, smart working and the like. Other uses must be expressly authorized by the Management.

### 4.4 CONFLICT OF INTEREST

In order to avoid the conflict of interest, every activity performed by employees of Elettromaule Component Srl must be carried out in a transparent, correct and lawful manner solely in the interest of the Company.

The employees must work avoiding all situations in which there may be a conflict with the interests of the Company or which may cause a lack of serenity in making impartial decisions, against Company interests and in conflict with the rules and principles of this Code of Ethics. Employees must avoid a conflict of interest between the activities arising from their corporate function and personal or family economic interests.

Whenever a situation of conflict of interest is identified, the proper report must be made promptly to the Management.

In particular, the following cases are considered situations that determine a conflict of interest:

- 4.4.1** Economic interests of the employee or his family members are in competition or in contrast with those of the Company;
- 4.4.2** Any work activities carried out for customers, suppliers or competitors of the Company;
- 4.4.3** Acceptance of any economic benefits, advantages or utilities from customers, suppliers or competitors of the Company.

Since the above list is purely illustrative but not exhaustive, any situation that could compromise the impartiality and serenity in the implementation of actions or decisions of employees, regardless of their function and duties, or in case of doubts about the onset of such situations, must be reported to the Management for proper clarification, and involves refraining from carrying out actions required by this situation.

## 4.5 CONFIDENTIALITY

Each employee is obliged to observe the strictest and absolute confidentiality regarding all information relating to the Company, its employees, organization, production methods and all the information that may be known by virtue of his or her function and working activity.

The disclosure of any information relating to the Company and / or the disclosure of which may cause damage to the Company is strictly prohibited.

In particular, the employee must:

- 4.5.1** Process information necessary for his or her working activity for the purpose to which he or she is called to use it in relation to his or her function;
- 4.5.2** Process and communicate information solely within the established procedures;
- 4.5.3** Ensure that the information cannot be acquired by unauthorized parties;
- 4.5.4** Check that there are no restrictions in the information relating to third parties connected to the Company's activity; if such restrictions exist, the consent to the processing of this information must be obtained from the interested parties;

## 4.6 PROFESSIONAL CONDUCT

Elettromaule Component Srl bases its business on the principles of loyalty, correctness, efficiency and fair competition.

All employees and collaborators of the Company who operate, even indirectly, on behalf of Elettromaule Component Srl, must comply with a correct and respectful professional behavior in their dealings with customers, regardless of the transacted deal.

It is not permitted to offer or promise to offer money, gifts or benefits of any kind to customers' employees or family members of customers' employees, other than gifts of modest value (less than € 100.00) or usefulness. Such gifts' cost must be specifically authorized by the Management, well documented, identified and treated properly for tax purposes and for any internal auditing.

The Management must be promptly informed in the event that any gift or benefit from third parties is unduly offered or delivered. If an employee receives Christmas gifts or gifts referable to mere commercial courtesy, he is required to inform the Management, who will evaluate if it is possible to accept them.

Each employee must carry out their work duties with professionalism, reliability, precision, education and courtesy. It is strongly recommended to document the work carried out and verify one's own work in order to promote the exchange of information as detailed as possible between colleagues.

The working environment must be constructive and aimed at mutual cooperation, with full sharing of knowledge and skills acquired, stimulating the growth and training of individuals and the group.

If one finds it difficult to perform the assigned task, he or she should promptly inform the Management for it to arrange support or, if necessary, replacement.

One must never agree to carry out an assignment for which he or she does not have the appropriate qualifications.

The way of work must always be honest and transparent, both in compliance with the principles of this Code of Ethics and in the best interest of the Client.

#### **4.7 FREE COMPETITION**

All the employees of Elettromaule Component Srl, even if trying to achieve the best results with their work, are required to act in compliance with the current regulations regarding free competition and in accordance with the principles of this Code of Ethics.

It is strictly forbidden to exchange information, arrangements or agreements, directly or indirectly, with any competitor, regarding negotiations, prices, discounts, economic conditions and the like, contrary to free competition.

Should a situation of doubt in this regard arise, the Management must be promptly informed in order to act in full transparency and in compliance with the rules.

#### **4.8 RELATIONS WITH SUPPLIERS**

Elettromaule Component Srl selects its suppliers with the utmost transparency and seriousness by evaluating their quality, reliability, efficiency and cost-effectiveness. The purchasing process is based on respect for the principles and rules of free competition.

Any relations with suppliers must be managed with the utmost seriousness and impartiality. The employees, whose functions or assigned tasks involve relations with the suppliers of Elettromaule Component Srl must:

- 4.8.1** Select and manage suppliers in full respect of internal procedures;
- 4.8.2** Ensure close collaboration in order to ensure quality, compliance with deliveries, cost control, in order to meet the needs of the Company and of the end customer;
- 4.8.3** Respect and enforce contractual conditions, establishing a trustful relationship that allows open dialogue and prompt support, in line with good business practices;
- 4.8.4** Promptly inform the Management in the event of problems that may affect the reliability of the supplier, so that action can be taken to avoid or limit negative consequences;

#### **4.9 RELATIONS WITH CUSTOMERS**

Elettromaule Component Srl places the customer at the center of its business, committing itself to ensuring the highest quality of the product and service through the constant improvement and monitoring of its professional activity.

All the commitments and obligations undertaken with the Customer must be respected with the utmost punctuality, precision and dedication, regardless of their extent. The criteria of conduct must be based on professionalism, availability and courtesy.

All employees must comply with the following guidelines:

- 4.9.1** Follow the internal procedures of the customer management;
- 4.9.2** Provide precise and accurate information about the products in order to generate an informed



decision in the Customer;

**4.9.3** If necessary advise the Customer operating in his exclusive interest and with the utmost transparency;

**4.9.4** Make all communications entirely truthful and clear;

#### **4.10 RELATIONS WITH PUBLIC INSTITUTIONS**

Employees who, by virtue of their duties, have the task of requesting, managing and administering financing, contributions and / or grants from the Public Administration, Public Bodies or similar, are required to ensure, within the limits of their functions, that the aforementioned relations are intended exclusively for the purpose for which they were requested, and to maintain clear and accurate documentation of each operation and movement of funds.

#### **4.11 DISCLOSURE OF INFORMATION OUTWARDS**

All information disclosed outside Elettromaule Component Srl must be truthful, clear and transparent. Any relations with the media are responsibility of the Management. Employees must refrain from providing information, opinions or statements on behalf of the Company.

The communications can come from the Management or previously authorized and delegated to those within the competence of the Management.

The information provided in public speeches, congresses, seminars, or contained in articles or publications must be previously agreed with the Management and must comply with the guidelines approved by the Management following the principles of correctness, honesty and transparency of this Code of Ethics.

The disclosure of information about projects, investments, negotiations, initiatives involving Elettromaule Component Srl by all addressees of this Code of Ethics is not permitted.

It is expressly forbidden to disseminate untrue, misleading or deceptive information.

It is absolutely forbidden to promise gifts, presents or any advantages for the purpose of influencing the activities of the media in any way.

Elettromaule Component, all its employees and external contractors are called to transmit a corporate image to the outside suited to the reputation and respectability it has achieved during the years of activity.

#### **4.12 INTERNAL CONTROL**

Elettromaule Component Srl pursues a policy of dissemination and awareness of the importance of internal controls, with the aim of ensuring at all levels the efficiency and effectiveness of its activities, the protection of Company resources and assets, compliance with laws, procedures and regulations.

All employees, as part of their functions and activities, have the obligation and responsibility to establish, maintain and monitor the efficiency and functioning of the internal control system.

#### **4.13 ACCOUNTING TRANSPARENCY**

Every action and operation must be properly authorized, recorded, legitimate and consistent.

All actions and operations must be supported by accurate documentation to allow correct accounting registration, precise and easy reconstruction of the decision-making, approval and execution process.

Each employee is required to support the recording of operations promptly and clearly, and to ensure that the documentation relating to their activities is easily traceable and verifiable.

The documentation relating to actions and operations must be systematically archived according to logical criteria in order to allow their full reconstruction both to identify responsibilities and to avoid misinterpretation.

In support of this purpose, where required, in addition to paper-based, an electronic archive managed by a specific document software can be used in order to speed up the reconstruction of the accounting framework.

The use of Company funds for illegal or improper purposes is strictly prohibited.

Unauthorized payments or illegal forms of remuneration must be paid to no one and for no reason.

Any neglect, omission or falsification of which employees become aware must be promptly reported to the management.

#### **4.14 CONFIDENTIALITY OF SENSITIVE DATA**

In the conduct of its business Elettromaule Component Srl collects confidential data. Therefore, the Company undertakes to comply with the current privacy regulations.

The use of the data collected for purposes other than those for which they were communicated is strictly prohibited, except in the case of express authorization. In any case, the data and information acquired are processed with automated tools for the time strictly necessary to achieve the purposes for which they were collected.

The protection of data and information contained or stored in IT media must be ensured by the adoption of safety measures suitable for the purpose.

### **5. SPECIFIC RULES: IMPLEMENTATION AND CONTROL OF THE CODE OF ETHICS**

#### **5.1 DISCIPLINARY ACTION IN CASE OF VIOLATION OF THE CODE OF ETHICS**

Employees and external contractors are required to comply with this Code of Ethics in all respects. Compliance with the rules of this Code of Ethics is an essential part of the contractual obligations of the employees of Elettromaule Component Srl in accordance with and by the effects of art. 2104 of the Italian Civil Code, as well as for the consultants and collaborators of the Company with reference to the existing contractual relationships.

Therefore, the violation of the provisions of this Code of Ethics by the providers of labour (employees, consultants and collaborators) constitutes a non-fulfilment of contractual obligations and may determine,

depending on the case, the application of sanctions and disciplinary actions provided for by the applicable Collective Agreements.

Everyone is required to promptly report to the Management any conduct that does not comply with the principles of this Code of Ethics put in place by each addressee. The whistleblowers in good faith must be guaranteed against any form of retaliation, discrimination and penalization. In any case, the confidentiality of their identity will be ensured, without prejudice to legal obligations and the protection of the rights of the Company or of the accused persons erroneously or in bad faith.

Elettromaule Component Srl will take the appropriate action against those whose actions will result in violation of this Code of Ethics.

Disciplinary action may include, at the sole discretion of Elettromaule Component Srl, verbal or written warning, suspension or immediate termination of the employment or business relationship, or any other disciplinary action deemed appropriate in the circumstances.

Some non-compliance with this Code of Ethics may also be prosecuted under civil or criminal law by administrative or other authorities.