



Code of conduct

REVISIONS LIST

REV.	DATE	CHANGE DESCRIPTION	APPROVAL
00		First issue	Board of Directors

INDEX

1. GOAL, FUNCTION, RECIPIENTS, AND APPLICATION SCOPE OF THE CODE OF CONDUCT	4
2. MISSION	5
3. ETHICAL PRINCIPLES	5
LEGALITY	5
Loyalty, Honesty And Good Faith	6
Value Of Human Resources And Respect Of The Individuals	6
Safeguard Of Health And Safety	7
Safeguard Of The Environment	7
Respect Of The Market	8
4. DISTRIBUTION AND IMPLEMENTATION OF THE CODE OF CONDUCT	10
Distribution And Information	10
Violations Of The Code Of Conduct	10

1. GOAL, FUNCTION, RECIPIENTS, AND APPLICATION SCOPE OF THE CODE OF CONDUCT

Elvi S.r.l. Motori Elettrici (hereinafter referred to as “Elvi” or “the Company”) endorses the ethical principles, shared values and behaviour rules it champions, as well as the ethical and behaviour commitments and responsibilities it embodies and to which it conforms in the execution of its enterprise and which rule the behaviour of every individual working in and for it.

The Code is to be applied to every individual who operates in the Company’s interest.

Recipients of the Code of Conduct are:

- Shareholders, administrators and members of the company’s organs, as well as any subject exercising the management and control regardless their formal legal qualification;
- Employees and collaborators, also temporary;
- Consultants;
- Suppliers, partners, and customers.

Recipients are demanded to:

- Behave according to the Code’s indications;
- Inform the appointed functions in case of violations of the Code of Conduct;
- Request, where necessary, interpretations and clarifications concerning the behaviour principles indicated in the code.

Elvi promotes the widest distribution of the Code, the correct interpretation of its contents and supplies the most adequate instruments to support its application.

In no case the claim to be acting in the Company’s best interest justifies the adoption of behaviours conflicting with the principles stated in the Code.

The violation of the hereinafter listed principles compromises the trust granted by the Company and, therefore, will be persecuted with conviction, promptness and immediacy by means of sanctions, and adequate and proportionate disciplinary actions, and/or with the termination of any existing relationship, independently of whatever penal relevance the undertaken behaviours may have and/or of the institution of criminal proceedings.

In case of violations of the instructions contained in this Code of Conduct, therefore, each individual will be subjected to the applicable sanctions allowed by the Disciplinary System.

The Code of Conduct is approved by the Board of Directors of the Company.

2. MISSION

At Elvi, we specialise in the design and production of electrical motors and gear motors which we tailor for our customers through the optimisation of the design and the technical characteristics according to each single application. Purpose is to maximise the life duration of the motor itself and, by so doing, reducing and therefore containing energy and materials consumption, simplifying the life of those operators who will be using our products both as assembler as well as end customer.

We deliver what we promise and we carry out our job with sobriety, punctuality and respect towards people and the environment, refusing to waste resources and valuing personal inclinations.

3. ETHICAL PRINCIPLES

LEGALITY

All recipients of the Code (business partner directors, employees and collaborators), as well as anyone who performs, in any capacity, representative functions even in fact) are required to act in compliance with

the national and supranational Law and Regulations in which ELVI operates and to reject and report any unlawful conduct.

Under no circumstances may the interest or advantage of the Company induce and/or justify dishonest and/or unlawful behaviour.

Elvi also promotes **respect for the rights of all people who work in any form in relation with the company, according to the Universal Declaration of Human Rights** and the international recommendations of the International Labour Organization (ILO), national legislation and the conditions of national collective bargaining.

Freedom of association and the right to collective bargaining: ELVI respects the right of workers to collective bargaining in accordance with local and national legislation, to create or join trade unions or other associations without being subject to sanctions, discrimination or abuse. The relations with the organizations are held by the authorized business functions or by the people they delegate, in the respect of the national norm and the special laws, having in special regard the principles of impartiality and independence.

ELVI carries out at least an annual exchange with the employees regarding their performance and the acquisition of their assessments/suggestions on the activity of the company.

Prohibition of child labour: the use of child labour is prohibited. Those who are below the minimum age laid down by national law for work or who have not completed compulsory education are regarded as minors.

Prohibition of forced labour: the use of forced labour, slavery or human trafficking is prohibited, in addition to the detention of identity documents or work permits. All workers have the right to accept or leave the job freely. Workers shall not be subject to degrading treatment, corporal punishment or mental and/or physical coercion.

Prohibition of illegal, clandestine and undeclared labour: Any employment and collaboration relationship is established by regular contract and no form of irregular work is tolerated. It is prohibited to employ foreign workers without a residence permit and/or to conclude contracts with them for a period subsequent to the duration of the residence permit.

LOYALTY, FAIRNESS AND GOOD FAITH:

All recipients are required to act in compliance with the principles of fairness and loyalty in the performance of their functions, internal and external, also for the protection of the reputation and image of the Company, as well as the relationship of trust established with customers and the market.

The recipients are required to take a correct, loyal and appropriate attitude to the circumstances in the performance of their assignments.

VALUE OF HUMAN RESOURCES AND RESPECT FOR THE PERSON

The Company recognizes and promotes the centrality of the person, the respect of his physical, ethical and cultural integrity, committing itself to ensuring respect for rights and social, professional, cultural and personal development.

Prohibition of discrimination, harassment and abuse: ELVI rejects any discrimination based on the diversity of race, language, colour, faith and religion, political opinion and affiliation, nationality, ethnicity, sex and sexual orientation, marital status, disability, physical appearance, economic and/ or social status, as well as the granting of any privilege related to the same reasons. In the management of hierarchical

relations, authority is exercised with fairness and no forms of abuse or prevarication are allowed. The state of pregnancy must be protected in accordance with current national legislation, ensuring adequate health protection, including maternity leave, sick leave or potential complications. ELVI also grants parental leave to both parents, not differentiating them in terms of time and pay.

ELVI does not tolerate any form of isolation, exploitation or harassment for any cause of discrimination, for personal or business reasons, by any employee or collaborator towards another employee or collaborator. Sexual harassment of any kind, including termination of employment or collaboration, is severely punished.

Training: ELVI also promotes culture among its employees and enhances their professionalism, supporting their training. The Company provides employees with equal training tools, trying to develop and grow specific skills.

HEALTH AND SAFETY PROTECTION

ELVI ensures and maintains working environments which are adequate and appropriate for the purposes of the organization in order to ensure the correct implementation of the services, as required by the current regulations on health and safety at work.

The Company promotes working conditions that respect the individual's dignity as elements that promote the physical and moral integrity of employees and collaborators.

In particular, ELVI, also through the active collaboration of its employees and its external service providers:

- Promotes and implements initiatives aimed at minimizing risks and removing causes that may endanger the safety and health of persons, excluding any form of exception or derogation from internal procedures for such purposes;
- Adopt a Worker Safety and Health Management System to prevent, control and reduce accident risks, identify responsibilities, train people, define concrete and measurable objectives;
- Collaborates with its stakeholders, both internal (e.g. employees), and external (e.g. institutions, supervisory bodies, etc.), to inform the management of workers' health and safety issues;
- Maintains high safety standards in compliance with current regulations.

The company is certified in the field of occupational health and safety ISO 45001.

PROTECTION OF THE ENVIRONMENT

ELVI aims to carry out its business activities in the full legitimate interests of its partners and clients, as well as in the protection and conservation of environmental resources. The Company implements an Environmental Management System that aims to maintain regulatory compliance and minimize the environmental impacts of its activities, through the application of the best available plant and organizational techniques and appropriate monitoring and operational controls.

All recipients are called to safeguard and respect the environment, as a collective good to be protected.

ELVI defines communication, listening and training plans with employees, members and third parties with whom the company operates, spreading the results obtained, the objectives and the operating procedures provided by the System.

The company is ISO 14001 certified.

RESPECT OF THE MARKET

Quality of the products. The Company pays particular attention to the satisfaction of its customers and seeks to focus its activities on innovation, in order to obtain high quality products, perceived as distinctive by its customers. The Company is equipped with a Quality System certified according to ISO 9001:2015.

Protection of competition. The Company recognises fair and fair competition as a fundamental element for the development of the company. ELVI does not tolerate conduct which may adversely affect or alter unlawfully the competition regime between the various market players. The Company promotes its image through tools consistent with the products and services offered, including through sponsorship of companies/associations or events related to the territory.

Transparency, completeness and confidentiality of information. ELVI is guided by principles of transparency, reliability and clarity. To this end, it clearly defines company roles and responsibilities and requires the recipients of the Code of Ethics to be as transparent as possible in providing their interlocutors, clients and third parties with truthful information.

Correct information must be given to the members, the organs and the competent functions, with regard to the management of the Company, including its accounting, and condemns the actions of its employees and collaborators that hinder or impede control.

The Company also ensures the confidentiality of the information in its possession and compliance with the legislation on the protection of personal data.

Corruption and money laundering. The company repudiates any tendency to corruption towards public officials or private on the national and international front. In addition, control procedures are in place to prevent money laundering from illegal activities.

Accounting and tax transparency. The Company, in the management of accounting and tax obligations, is committed to ensuring the transparency and correctness of the information involved in the tax declarations, making every effort to guarantee the objective and subjective truthfulness of the transactions carried out and transfused in the same declarations, the completeness and correctness of the tax documents.

Protection of Industrial and Intellectual Property. ELVI respects the industrial and intellectual property rights of the company and third parties. It respects the laws, regulations and conventions (including Community and international ones) to protect these rights.

Conflict of interest. Staff must avoid all situations and activities in which a conflict with the interests of the company may materially arise or which may interfere with their ability to recruit, impartially, decisions in the best interests of the company and in full compliance with the rules in the Code. Staff must also refrain from taking personal advantage of acts of disposal of social assets or business opportunities which they have become aware of in the course of their duties.

In the event that a situation of conflict of interest arises, even if only potential, the parties involved are required to refrain from acting and to give timely communication to their hierarchical superior who assesses, case by case, the actual presence and relevance.

Contraband. All employees and collaborators of the Company who, directly or indirectly, intervene in the import processes must ensure the regular introduction into the territory of the State of goods subject to border rights, paying particular attention to compliance with the customs provisions.

ELVI undertakes to ensure prior verification of the freight forwarders it uses and to ensure traceability of customs operations.

Freebies and other utilities. The Staff is prohibited from offering or accepting, for themselves or for others, gifts, gifts or other gifts, benefits, utilities or other treatments of favour by anyone who can benefit from the Company, except as may be attributable to normal practices, business relations or customary. Only on the occasion of the holidays, gifts of modest value are allowed (eg: Christmas baskets). Donations and support initiatives, both in the form of donations and sponsorship, provided by the Company are permitted.

4. DISSEMINATION AND IMPLEMENTATION OF THE CODE OF ETHICS

Dissemination and information

The Company shall inform the Addressees of the provisions contained in the Code of Ethics, ensuring their adequate dissemination.

The code of ethics is disseminated to the corporate population in the following ways:

- initial training for new recruits by means of interviews with their manager and the provision of explanatory written documentation;
- annual training and on the occasion of changes to the Board of Directors/members' meeting;
- two-year training and changes to all workers.

The company also provides for the interpretation and implementation of the Code and the verification of its effective compliance, as well as the updating of its content, with regard to the needs that are manifested by changing the contest and the reference environment (such as, by way of example, the business organisation or the relevant regulations).

Administrators and all Recipients are required to cooperate in the effective implementation of the Code, within the limits of their competences and functions.

Cases of violation of this Code of Ethics can be reported by each recipient to the Legal Representative or e-mail: codiceetico@elvi.it.

The addressees of the alerts, protect both the authors of the alert, and the same reported.

Violations of the Code of Ethics

The violation of the Code of Ethics compromises the relationship of trust between the Company and the person committing the breach (shareholders, directors, employees, collaborators, customers and suppliers).

The infringements, once established, will be prosecuted promptly, through the adoption of appropriate disciplinary measures proportionate to the infringement, regardless of the possible criminal relevance of such behavior and the establishment of criminal proceedings by the Judicial Authority, compatible with the provisions of the current regulatory framework (Collective Agreement sector and/ or Civil Code).

Compliance with the Code of Ethics is an integral part of the contractual obligations of employees, also pursuant to and for the purposes of art. 2104 of the Civil Code (duty of care).

Third party recipients (suppliers, consultants, partners, etc.) are obliged, through any contractual agreements, to comply with the provisions contained in the Code of Ethics, within the limits of their competences and responsibilities. Any violation of the Code of Ethics may determine, on the basis of what is contractually agreed, the resolution of the report.